



State of Nevada

DEPARTMENT OF TAXATION

ANNUAL REPORT

Fiscal 1997 - 1998



STATE OF NEVADA
DEPARTMENT OF TAXATION

1550 E. College Parkway
Suite 115
Carson City, Nevada 89706-7921

BOB MILLER
Governor

MICHAEL A. PITLOCK
Executive Director

Phone: (702) 687-4820 • Fax: (702) 687-5981
In-State Toll Free: 800-992-0900

LAS VEGAS OFFICE
Grant Sawyer Office Building
Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300
Fax: (702) 486-2373

RENO OFFICE
4600 Kietzke Lane
Building O, Suite 263
Reno, Nevada 89502
Phone: (702) 688-1295
Fax: (702) 688-1303

January 4, 1999

The Honorable Kenny C. Guinn
Governor of Nevada
Executive Chambers
Carson City, NV 89710

Dear Governor Guinn:

Pursuant to the provisions of NRS 360.100, the Department of Taxation submits herewith the Annual Report for the fiscal year ending June 30, 1998. During 1997-98, gross revenues and distributions changed in the following amounts.

Revenues	1996 - 1997	1997 - 1998	Increase/ (Decrease)	Percent Change
Sales and Use Taxes	\$ 492,331,515	\$ 512,517,223	\$ 20,185,708	4.10%
Local School Support Tax	548,503,052	572,095,229	23,592,177	4.30%
City/County Relief Tax	548,575,052	572,137,368	23,562,316	4.30%
Local Option Taxes	107,224,107	115,186,079	7,961,972	7.43%
Motor Vehicle Fuel Taxes	261,855,031	296,661,358	34,806,327	13.29%
Jet Fuel	10,391,425	10,817,006	425,581	4.10%
Petroleum Products Cleanup Fee	9,834,496	11,109,430	1,274,934	12.96%
Intoxicating Beverage Taxes	16,374,306	18,138,342	1,764,036	10.77%
Cigarette Tax and Fees	53,715,856	61,157,627	7,441,771	13.85%
Other Tobacco Products	4,389,398	5,394,184	1,004,786	22.89%
Special Drug Manufacturing Tax	-	6,940	6,940	100.00%
Estate Tax	26,942,144	28,680,087	1,737,943	6.45%
Lodging Tax	7,982,424	7,633,580	(348,844)	-4.37%
Controlled Substance Tax	17,601	5,550	(12,051)	-68.47%
Net Proceeds of Minerals Tax	28,858,701	31,164,103	2,305,402	7.99%
Centrally Assessed Property Tax	61,656,133	64,500,874	2,844,741	4.61%
Business Tax and Fees	65,366,281	68,973,677	3,607,396	5.52%
Insurance Premium Tax	97,274,410	110,734,229	13,459,819	13.84%
Tire Tax	1,133,546	1,184,797	51,251	4.52%
Short Term Lease Fee	-	7,771,870	7,771,870	100.00%
Total	<u>\$ 2,342,425,478</u>	<u>\$ 2,495,869,553</u>	<u>\$ 153,444,075</u>	6.55%

Distributions	1996 - 1997	1997 -1998	Increase/ (Decrease)	Percent Change
State General Fund	\$ 739,335,904	\$ 792,780,348	\$ 53,444,444	7.23%
State Highway Fund	140,737,047	158,626,709	17,889,662	12.71%
State Distributive School Fund	50,516,093	56,879,469	6,363,376	12.60%
Local Governments	1,356,192,268	1,428,229,624	72,037,356	5.31%
Other Distributions	24,476,660	26,368,772	1,892,112	7.73%
Estate Tax Reserve, Endowment and Trust Funds	26,847,446	28,559,445	1,711,999	6.38%
State Debt Service Fund	4,320,060	4,425,186	105,126	2.43%
Total	<u>\$ 2,342,425,478</u>	<u>\$ 2,495,869,553</u>	<u>\$ 153,444,075</u>	6.55%

Sincerely,

Michael A. Pitlock
Executive Director

TABLE OF CONTENTS

I. DEPARTMENT OF TAXATION

MISSION STATEMENT-----	3
ORGANIZATIONAL CHART-----	4
TOTAL DEPARTMENT TAX REVENUE AND DISTRIBUTIONS-----	5
DEPARTMENT OF TAXATION ADMINISTRATION-----	6
BOARDS AND COMMISSIONS-----	6
DEPARTMENT ORGANIZATION AND FUNCTION-----	7

II. SALES, USE AND BUSINESS TAX

REVENUE DIVISION-----	8
AUDIT DIVISION-----	8
DEPARTMENT FINANCIAL STATEMENT-----	9
COMPONENTS OF SALES AND USE TAX RATES-----	10
SALES AND USE TAX REVENUE-----	12
LOCAL SCHOOL SUPPORT TAX REVENUE-----	14
BASIC CITY/COUNTY RELIEF TAX REVENUE-----	16
SUPPLEMENTAL CITY/COUNTY RELIEF TAX REVENUE-----	18
LOCAL OPTION SALES AND USE TAX REVENUE-----	22
TAXABLE SALES COMPARISON-----	24
BUSINESS TAX-----	27

III. EXCISE TAXES

INSURANCE PREMIUM TAX-----	29
MOTOR FUEL TAX REVENUE-----	30
MOTOR FUEL TAX DISTRIBUTION-----	34
RECAP OF MOTOR FUEL TAX DISTRIBUTIONS TO COUNTIES-----	35
CIGARETTE AND OTHER TOBACCO PRODUCTS TAX REVENUE-----	36
DISTRIBUTION OF CIGARETTE TAX REVENUE-----	39

TABLE OF CONTENTS

LIQUOR TAX REVENUE-----	40
DISTRIBUTION OF LIQUOR TAX REVENUE-----	43
ALCOHOLIC BEVERAGE GROWTH-----	44
SPECIAL DRUG MANUFACTURERS TAX-----	46
LODGING TAX-----	47
ESTATE TAX-----	48
DISTRIBUTION OF ESTATE TAX REVENUE-----	49
TAX ON CONTROLLED SUBSTANCES-----	50
TIRE TAX-----	52
SHORT TERM LEASE FEE-----	53
IV. DIVISION OF ASSESSMENT STANDARDS-----	54
CERTIFICATION OF APPRAISERS-----	55
STATE BOARD OF EQUALIZATION-----	56
ASSESSED VALUATIONS-----	57
NET PROCEEDS OF MINERALS-----	62
MINING PROPERTIES-----	65
LOCAL GOVERNMENT FINANCE SECTION-----	67
V. SENIOR CITIZENS' PROPERTY TAX ASSISTANCE PROGRAM-----	69



Department of Taxation **Mission Statement**



Mission

The mission of the Department of Taxation is to provide equitable and effective administration of the tax programs for the State of Nevada, as established by statutes, regulations and internal policy, to assist the state and local government entities in serving the taxpayers of Nevada.

Philosophy

We are dedicated to acting at the highest standards of professionalism through the principles of common sense and ethical conduct. We affirm the taxpayer is entitled to consistent, impartial and courteous service in an unintrusive manner that is provided by a conscientious and innovative work force.

Goals

1. We will improve compliance with tax statutes and regulations through education and enforcement.
2. We will provide stable administration of the tax statutes, emphasizing equitable treatment of all taxpayers and businesses.
3. We will expand and enhance our efforts to cooperate and communicate with other agencies serving the businesses and taxpayers of Nevada.
4. We will provide the most efficient delivery of services to the business community and people we serve.
5. We will expand and improve our staff training to better serve the taxpayer with the most qualified and effective personnel.

**Please visit our new Web Site at www.state.nv.us/taxation
or one of our offices at the following locations**

Main Office:

1550 East College Parkway, Suite 100
Carson City, NV 89706

Mailing:

1550 East College Parkway, Suite 115
Carson City, NV 89706

Phone: (775) 687-4820

Fax: (775) 687-5981

In-State Toll Free: (800) 992-0900

Elko Taxpayer Assistance:

850 Elm Street Room 2
Elko, NV 89801

Mailing:

PO Box 1750
Elko, NV 89803-1750

Phone: (775) 738-8461

Fax: (775) 778-6814

Las Vegas District Office:

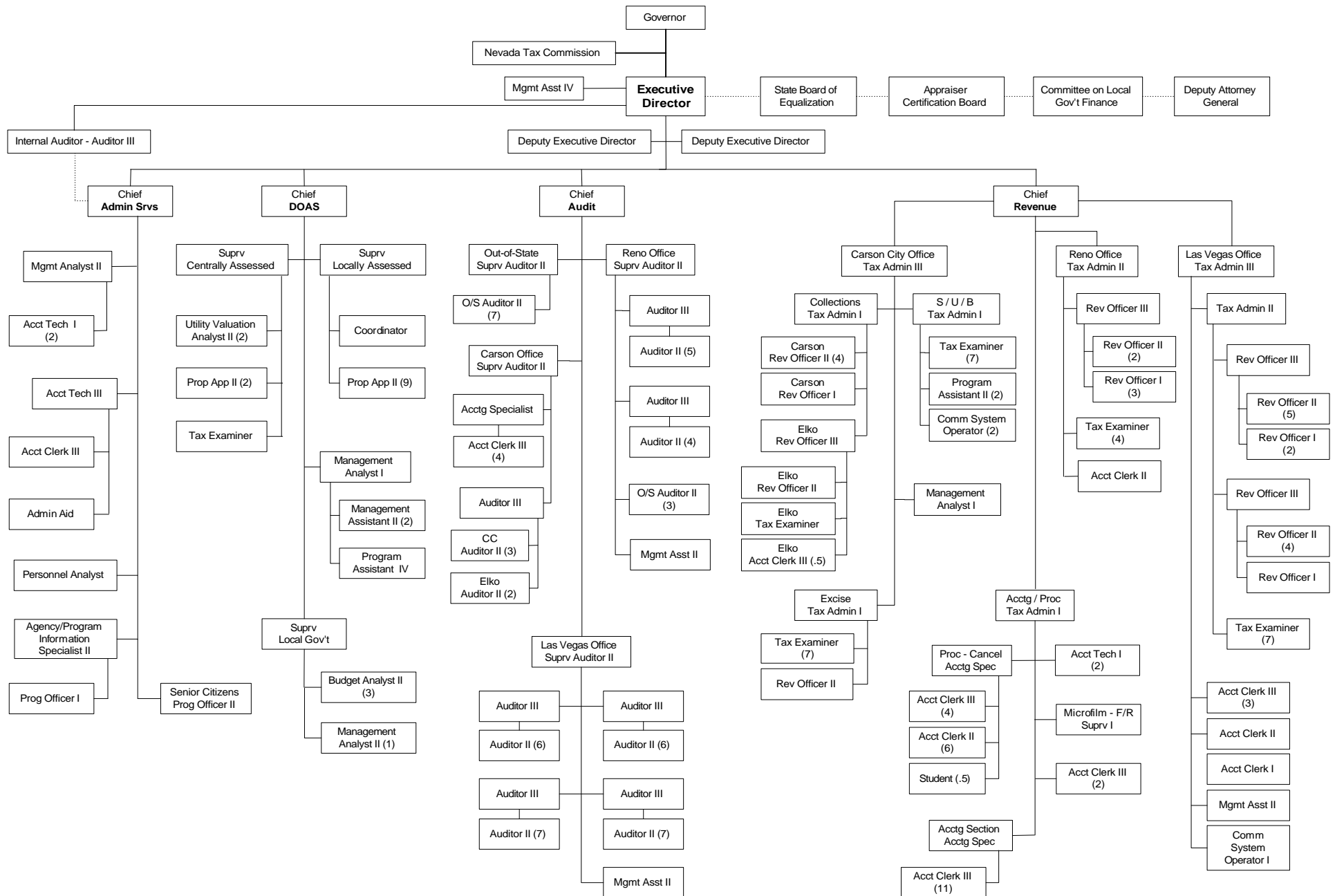
Grant Sawyer Office Building
555 E. Washington Avenue, Suite 1300
Las Vegas, NV 89101
Phone: (702) 486-2300
Fax: (702) 486-2373

Reno District Office:

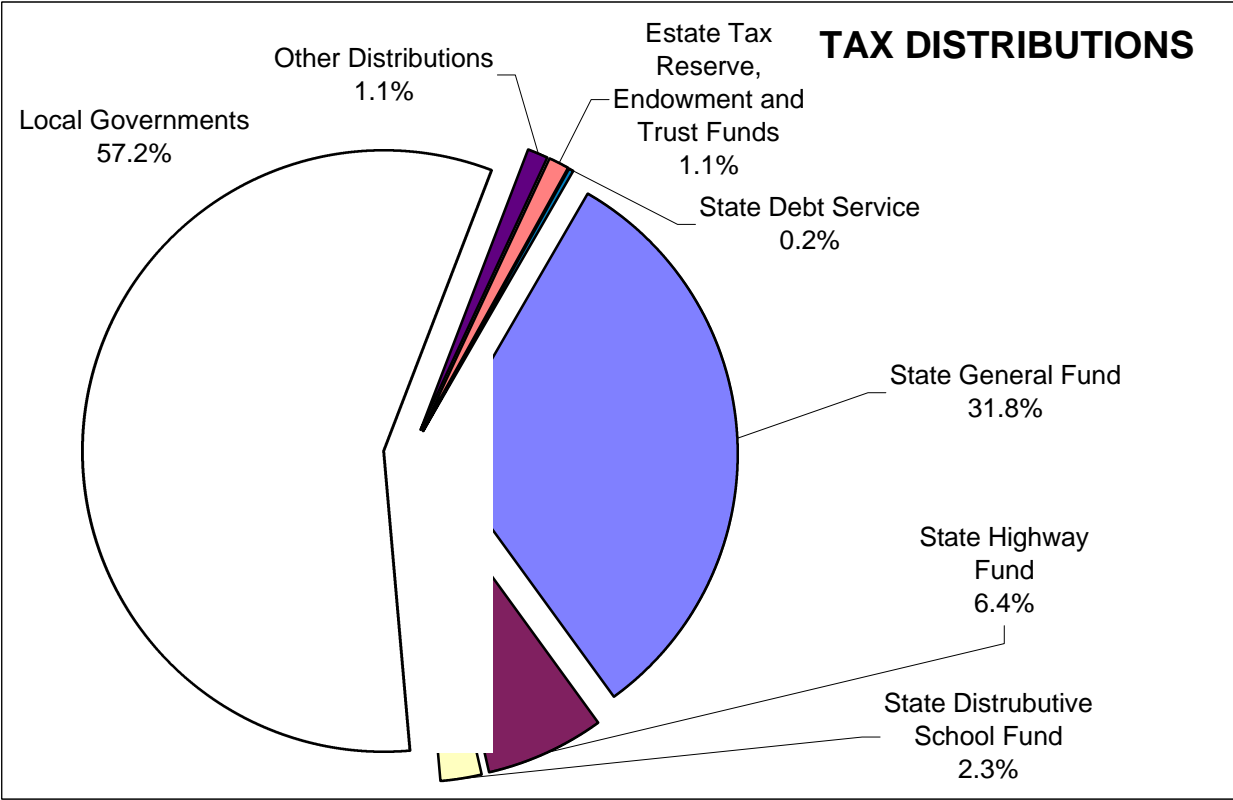
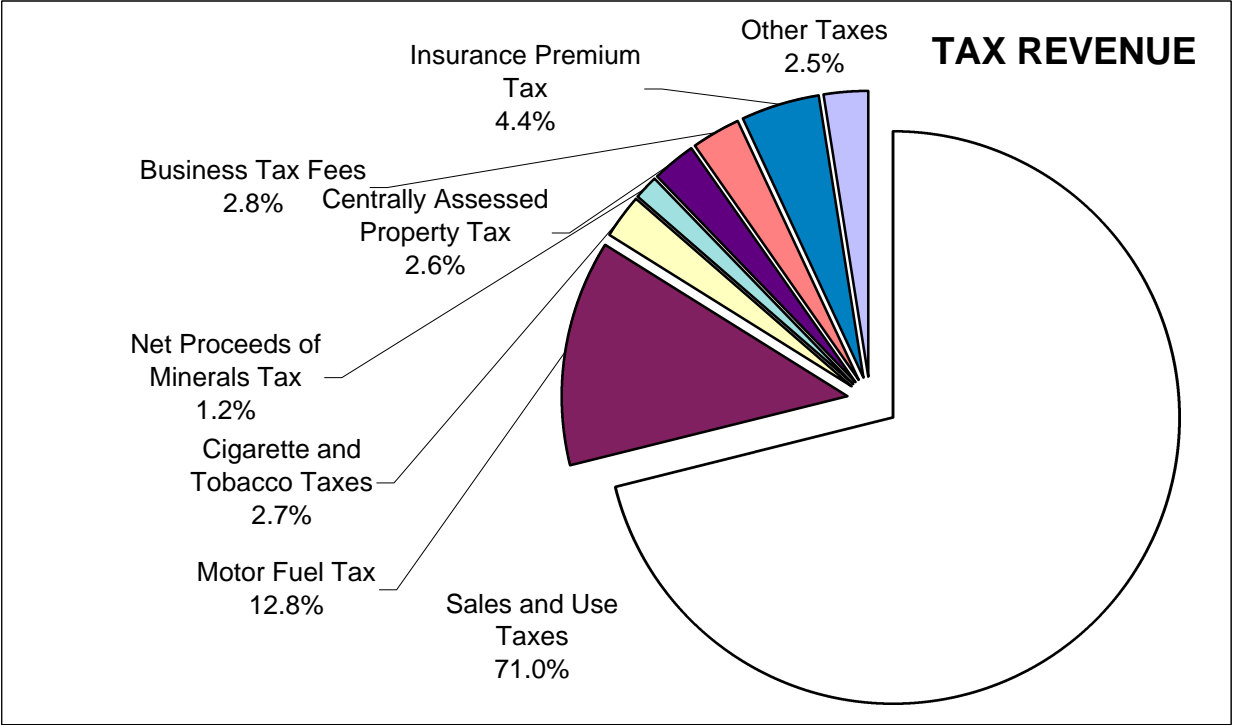
Kietzke Plaza
4600 Kietzke Lane
Building O, Suite 263
Reno, NV 89502
Phone: (775) 688-1295
Fax: (775) 688-1303

Department of Taxation

Revised November 1998



TOTAL DEPARTMENT TAX REVENUE AND DISTRIBUTION



DEPARTMENT OF TAXATION

Established April 1913 as the Nevada Tax Commission.

Statutory authority: Chapter 748, 1975 Statutes, established the Department of Taxation and provided for its organization, powers, duties and functions. The Department is responsible for administering the following laws:

<u>NAME OF LAW</u>	<u>NRS CHAPTER</u>
Local Government Budget Act	354
General Provisions	360
Ad Valorem Property Tax	361, 361A, 361B
Senior Citizens' Property Tax Assistance Act	361
Net Proceeds of Mines	362
Tax on Rental of Transient Lodging	364.125
Business Tax	364A
Motor Vehicle Fuel Taxes	365, 366
Intoxicating Liquor Licenses and Taxes	369
Tobacco Licenses and Taxes	370
State Sales and Use Taxes	372
Tax on Controlled Substances	372A
County Motor Vehicle Fuel Taxes	373
Local School Support Taxes	374
Tax on Estates	375A
Generation Skipping Transfer Tax	375B
Open Space Land Tax	376A
City/County Relief Tax	377
Tax for Public Transportation and Promotion of Tourism	377A
Tax for Infrastructure	377B
Residential School Construction Tax	387.332
Tire Tax	444A.090
Short Term Lease Fee	482.313
Special Drug Manufacturers Tax	585.497
Clean Up of Discharged Petroleum	590.7
Insurance Premium Tax	680B

DEPARTMENT OF TAXATION ADMINISTRATION

Michael A. Pitlock
Executive Director

P. Forrest Thorne
Deputy Executive Director

Dino DiCianno
Deputy Executive Director

BOARDS AND COMMISSIONS

Nevada Tax Commission members are appointed by the Governor. The Commission is the head of the Department and exercises general supervision and control over its activities. The chief administrative officer of the Department is the Executive Director. Actions by the Department may be appealed to the Commission as provided by law. The Commission may review all decisions of the Department and may reverse, affirm or modify them.

Barbara Smith Campbell, Chairman	Governor Bob Miller, Ex Officio Member	Charles Lenzie, Member
Dean Baker, Member	Candace E. Evart, Member	John Marvel, Member
Valerie Cooke, Member	Harley E. Harmon, Member	Robert E. Robinson, Member

The **State Board of Equalization** members are appointed by the Governor. The Board hears and acts on appeals from the actions of the various county boards of equalization or from valuations set by the Nevada Tax Commission. The Board of Equalization convenes on the 4th Monday in March and shall conclude the business of equalization in cases having a substantial effect on tax revenues on or before April 10. Additional cases not having substantial effect on tax revenues may be heard at meetings prior to October 1.

Rodney Larva, Chairman
Rose Dominguez, Member

Reese Perkins, Member
William Wright, Member

Vacant, Member

The **Committee on Local Government Finance** is composed of 11 members appointed as follows: three persons appointed by the Nevada League of Cities; three persons appointed by the Nevada Association of Counties; three persons appointed by the Nevada School Trustees Association; and two persons appointed by the Nevada State Board of Accountancy. The purpose of this Committee is to advise the Department regarding regulations, procedures and forms for compliance with NRS 354.570 through 354.626 (Local Government Budget Act).

Marvin Leavitt, Chairman
Michael R. Alastuey, Member
Gary Cordes, Member
Therral R. Jackson, Member

Richard Kester, Member
Walt Rulfes, Member
Bjorn Selinder, Member
Katy Simon, Member

D. Roger Stewart, Member
Terri Thomas, Member
Douglas O. Thunder, Member

The **Property Appraiser Certification Board** is composed of six members, three of whom are qualified appraisers chosen by the majority vote of the Association of County Assessors and three are appointed by the Nevada Tax Commission. The Board advises the Department on matters pertaining to certification and continuing education of appraisers.

Walden Earhart, Chairman
James Anderson, Member

William C. Bailey, Member
Dennis Compston, Member

James Slark, Member
Ernest W. Wood, Member

DEPARTMENT ORGANIZATION AND FUNCTION

The Department of Taxation has three major divisions; the Administrative Services Division, the Compliance Division, which is subdivided into Revenue and Audit, and the Division of Assessment Standards, which includes the Local Government Finance Section. **Administrative Services** is responsible for providing centralized support for all administrative, financial and fiscal activities of the Department. Sections include: Budget, Tax Distributions and Statistics, Internal Audit, Personnel, Information Services, and Support Services/Mailroom. This Division also administers the Senior Citizens' Tax Assistance Program. **Revenue** administers and collects taxes for distribution to the State General Fund, Highway Fund and to the cities and counties. It also prepares refunds for gas taxes not used on highways. **Audit** administers a comprehensive audit program to insure taxpayer compliance. The **Division of Assessment Standards** is responsible for appraising all centrally assessed property, establishing guidelines for the county assessors, conducting the ratio study, insuring statewide compliance with assessment standards established by the Tax Commission and administering the net proceeds of minerals tax. The Local Government Finance Section reviews local government budgets and audits, prepares the ad valorem tax rates for certification, advises local governments on budget act compliance and financial management matters and reviews entities annual audits and plans for the prevention of the reoccurrence of violations reported therein.

In addition, the Department is also responsible for annually developing the official estimates of population of the State and the various counties, cities, towns and townships. These estimates, after certification by the Governor, are used for the purpose of distributing certain revenues to counties, cities and towns and to determine the appropriate number of justices of the peace.

The Department maintains four office locations. The headquarters is located in Carson City, with district offices in Las Vegas and Reno; and a taxpayer assistance office in Elko. For Fiscal Year 1997-98, the Department's staff consisted of 218 positions with a budget of \$17,830,364 (including \$3,298,500 for the Senior Citizens' Tax Assistance Program).

REVENUE DIVISION

The Revenue Division is responsible for the administration and collection of all sales and use taxes, the business license fee and tax, insurance premium tax, cigarette tax, other tobacco tax, liquor tax, motor fuel and jet fuel taxes, tire tax, lodging tax, special drug manufacturing tax, estate tax, short term lease fee and controlled substance tax. Other programs administered that coincide with the sales and use tax program include collecting taxes on vehicles purchased out-of-state for use in Nevada and all aircraft based and licensed in our State.

The Revenue Division issues permits, processes all tax returns, answers questions of taxability, conducts hearings and monitors accounts for compliance with statutes and reporting requirements. When the need arises, the Revenue Division issues tax deficiency notices, approves payments plans, files liens, files withholds, and as a last measure, closes businesses.

AUDIT DIVISION

The Audit Division is responsible for ensuring financial compliance with laws relating to all sales and use taxes, the business tax, net proceeds of mines tax, motor fuel and jet fuel taxes, cigarette and other tobacco products tax, liquor tax, tire tax and special drug tax. The 1993 session of the Legislature, effective October 1, 1993, gave the Department the responsibility, in coordination with the Employment Security Division and the State Industrial Insurance System, to implement the "combined audit program." The 1995 session of the Legislature abolished this program effective June 30, 1995.

The audit staff conducted 2,414 sales and use tax audits during Fiscal Year 1997-98. The total net amount of tax audit recovery during this period was \$17,722,977 (\$18,465,704 collected less refunds of \$742,727), or an average of \$329,423 per auditor. The 10 out-of-state based auditors produced \$3,429,663 of this total.

The following is a comparison of statistics describing Revenue and Audit sales and use tax activity for the last six fiscal years.

<u>FISCAL YEAR</u>	<u>NUMBER OF AUDITS</u>	<u>NET AUDIT COLLECTIONS</u>	<u>FULL-TIME EQUIVALENT AUDITORS</u>	<u>RECOVERY PER AUDITOR</u>
1992-93	2,449	\$ 16,914,672	37.90	\$446,101
1993-94	1,992	9,680,085	48.90	197,889
1994-95	2,019	8,612,983	55.40	155,469
1995-96	3,104	14,443,935	52.70	274,078
1996-97	2,647	23,119,882	52.67	438,985
1997-98	2,414	17,722,977	53.80	329,423

	<u>GROSS SALES AND USE TAXES</u>	<u>AUDIT RECOVERY</u>	<u>AUDIT COVERAGE</u>
1992-93	\$ 1,071,885,920	1.58%	5.92%
1993-94	1,229,728,403	0.79%	4.64%
1994-95	1,489,122,012	0.58%	4.37%
1995-96	1,541,703,054	0.94%	6.32%
1996-97	1,696,633,726	1.36%	5.46%
1997-98	1,771,935,989	1.00%	4.84%

Department Financial Statement

APPROPRIATIONS AND EXPENDITURES
JULY 1, 1997 - JUNE 30, 1998 - REVERSIONS AS OF JUNE 30, 1998

FUNDING/APPROPRIATIONS	WORK PROGRAM FUNDS	RECEIPTS / EXPENDITURES	RECEIPTS LESS WORK PROGRAM
Balance Forward from Prior Year	\$ 1,625,090.02	\$ 1,625,090.02	\$ -
General Fund Appropriations	10,565,876.00	10,565,876.00	-
Highway Fund Appropriation	724,952.00	724,952.00	-
General Fund Salary Adjustment	252,322.00	252,322.00	-
County Option Gas Tax Administration	381,979.01	381,979.01	-
Motor Fuel Administration	217,761.00	217,761.00	-
Audit Fees	54,939.39	54,694.75	(244.64)
Cigarette Tax Administration	344,714.00	344,714.00	-
Estate Tax Administration	120,642.00	120,642.00	-
Environmental Protection Transfer	91,744.24	91,744.24	-
Justice Court/Township Fees	71,591.72	71,591.72	-
Returned Check Charge	19,542.11	19,542.11	-
Federal Grant	48,343.00	48,343.00	-
Miscellaneous Revenue	12,366.96	12,366.96	-
Total Available Funds	\$ 14,531,863.45	\$ 14,531,618.81	\$ (244.64)

EXPENDITURES

Salaries	\$ 9,322,179.00	\$ 9,276,937.85
Out-of-state Travel	8,004.00	6,995.73
In-state Travel	159,483.00	155,739.65
Operating	1,331,984.00	1,280,612.03
Equipment	99,348.00	94,039.44
Out-of-state Audit	82,834.00	80,157.97
Demographer	163,613.00	163,613.00
Cigarette Stamps	80,507.00	80,493.20
Information Services	1,615,104.00	1,614,899.62
Training	12,897.00	12,499.51
Computer Equip/Training	407,248.00	200,456.90
Modular Furniture System	660,038.00	626,165.40
ACES Litigation	100,000.00	2,748.50
Litigation Reserve	240,000.00	-
State Cost Recovery Plan	9,043.00	9,043.00
Attorney General Cost Allocation	31,730.00	31,730.00
Reserve	124,936.02	-
Federal Grant - Fuel Tax	50,000.00	48,343.93
Reserve for Reversion	32,915.43	0.00
Total Expenditures	\$ 14,531,863.45	\$ 13,684,475.73
Reversion June 30, 1998	0.00	847,143.08
Difference Work Program less Receipts	0.00	244.64
Available Funds Accounted for	\$ 14,531,863.45	\$ 14,531,863.45

REVERSIONS

To General Fund	\$ 450,508.89
To Highway Fund	30,187.75
Justice Court Fees - Balance Forward	125,782.74
Cat. 32 Computer Equip/Training - Balance Forward	206,791.10
Cat. 34 Modular Furniture System - Balance Forward	33,872.60
Total Reversion	\$ 847,143.08

COMPONENTS OF SALES AND USE TAX RATES

<u>NRS CHAPTER</u>	<u>TAX RATE</u>	<u>TAX DESCRIPTION</u>	<u>DISTRIBUTION</u>
Minimum Statewide Tax Rate			
372	2.00%	Sales Tax	To the General Fund.
374	2.25%	Local School Support Tax	<u>In-State Business Returns</u> : Tax goes back to the school district in which the business is located. <u>Out-of-State Business Returns</u> : Tax goes to the State Distributive School Fund.
377	0.50%	Basic City-County Relief Tax	<u>In-State Business Returns</u> : Tax goes to the county where the sale was made. <u>Out-of-State Business Returns</u> : Tax is distributed to counties and cities based on a population formula.
	1.75%	Supplemental City-County Relief Tax	Tax distributed to all local governments according to statutory formula.
	<hr/> 6.50%	Minimum Statewide Tax Rate	

Option Tax

Note: The following additional taxes are distributed back to the county where the sale was made.

377A	0.25%	Promotion of Tourism - limited to counties with population of 400,000 or less (voter approval).	Imposed by Storey County.
377A	0.50%	Public Mass Transportation & Construction of Roads (voter approval).	.25% Imposed by Carson City, Churchill County, Clark County, Nye County, Washoe County and White Pine County.
543	0.25%	Control of Floods - limited to counties with population of 400,000 or more (voter approval).	Imposed by Clark County.
376A	0.25%	Open Space - limited to counties with population between 100,000 & 400,000 (voter approval).	
354	0.25%	Severe Financial Emergency - determined by Department of Taxation (Nevada Tax Commission Approval).	
377B	0.25%	Infrastructure - limited to counties with population less than 100,000 or greater than 400,000 (county commission approval).	
377B	0.125%	Infrastructure - limited to counties with population between 100,000 & 400,000 (county commission approval).	

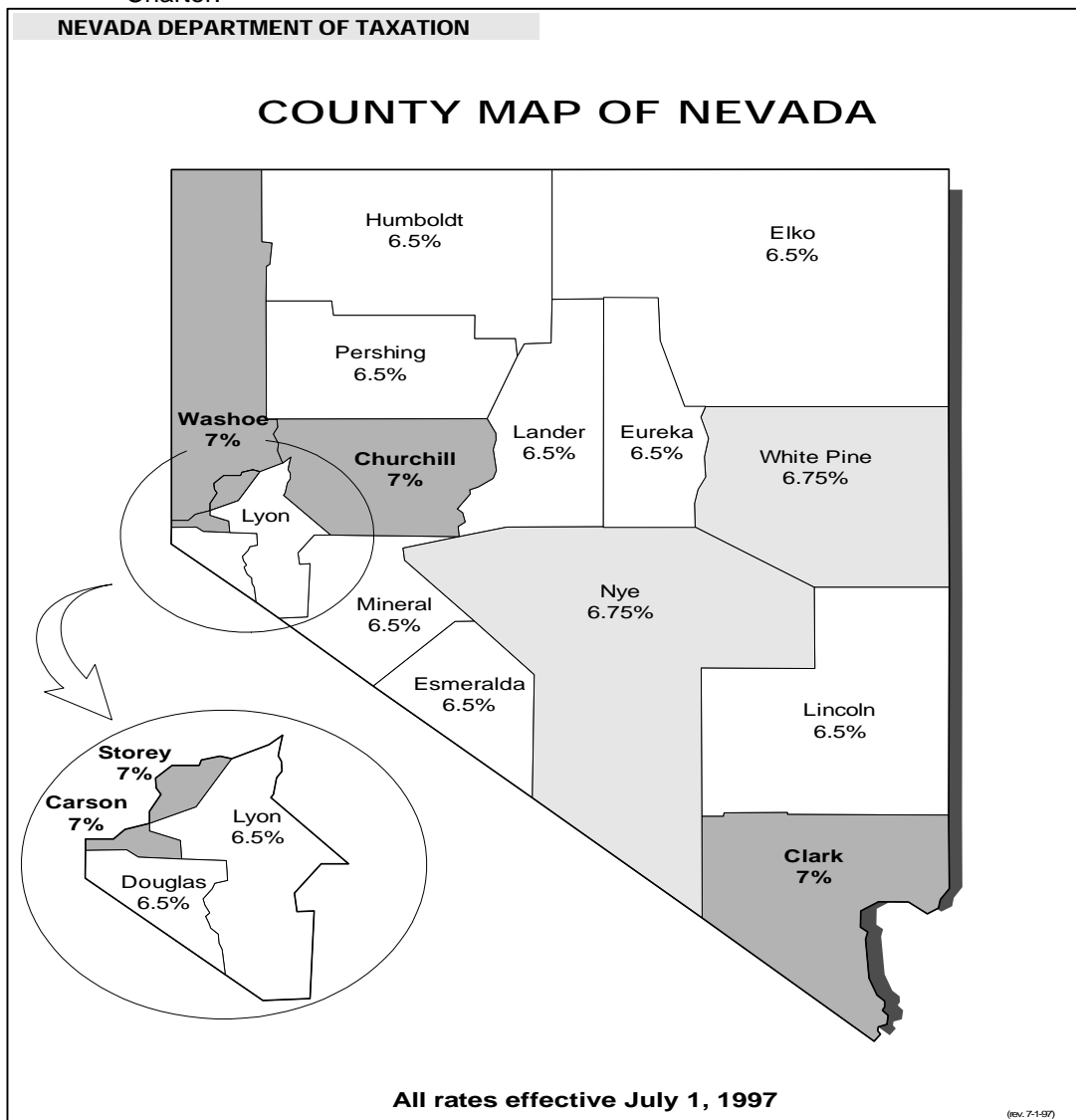
Components of Sales and Use Tax Rates (continued)

Special Act

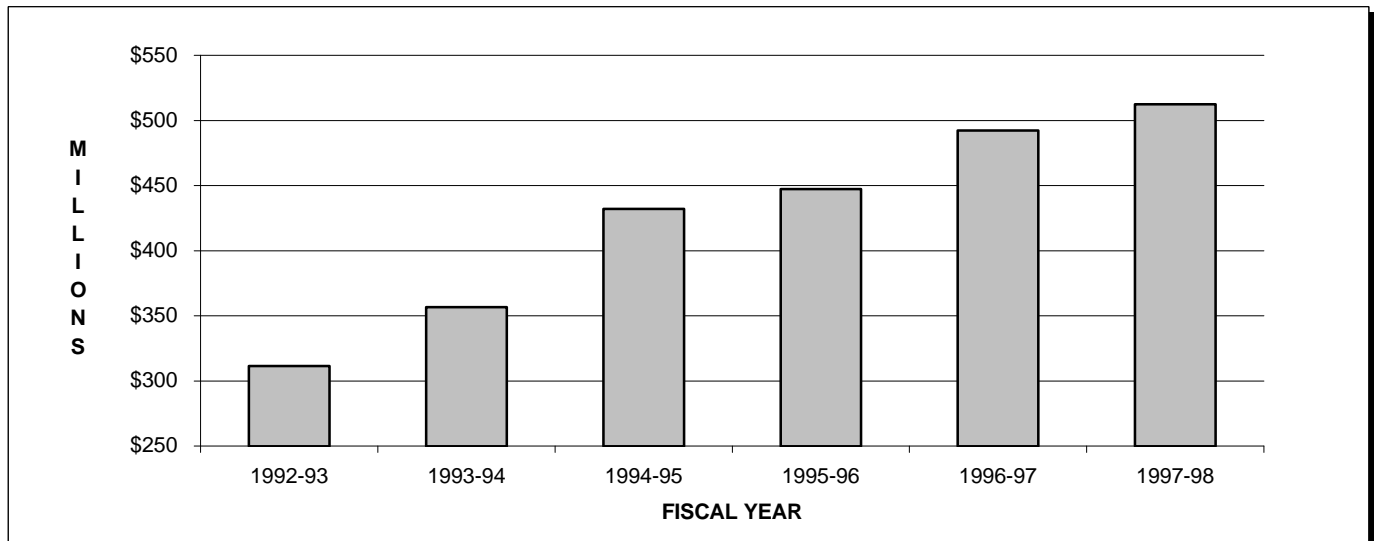
0.25%	Local Government Tax Act - Washoe & Churchill counties (county commission approval)	Intracounty distributions to local governments according to a statutory formula. Imposed by Churchill County and Washoe county.
0.25%	Tricounty Railway Commission - Carson City, Lyon & Storey counties (voter approval)	Imposed by Storey County.
0.125%	Washoe Railroad Grade Project (county commission approval)	
1.00%	Elko County Hospital Tax (voter approval)	

Miscellaneous Amendments

0.25%	Carson City Open Space Tax - Amendment to Carson City Charter.	Imposed by Carson City.
-------	--	-------------------------



SALES AND USE TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 311,295,289	\$ 12,269	\$ 311,307,558	8.96%
1993-94	356,551,237	12,379	356,563,616	14.54%
1994-95	431,954,724	13,812	431,968,536	21.15%
1995-96	447,382,096	11,035	447,393,131	3.57%
1996-97	492,319,605	11,909	492,331,514	10.04%
1997-98	512,505,095	12,128	512,517,223	4.10%

LEGAL CITATION

Chapter 372 Nevada Revised Statutes.

RATE

2 percent on all taxable sales and taxable items of use.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

1955 session of State Legislature. Approved by referendum in 1956.

RATE

2 percent since inception. Referendum to raise to 3 percent defeated in 1963 by 2 to 1 margin.

REMOVAL OF SALES TAX FROM FOOD

On June 5, 1979, the voters, by special election, amended the Sales and Use Tax Act to provide for exemption of certain foods from taxation (effective July 1, 1979).

DISTRIBUTION

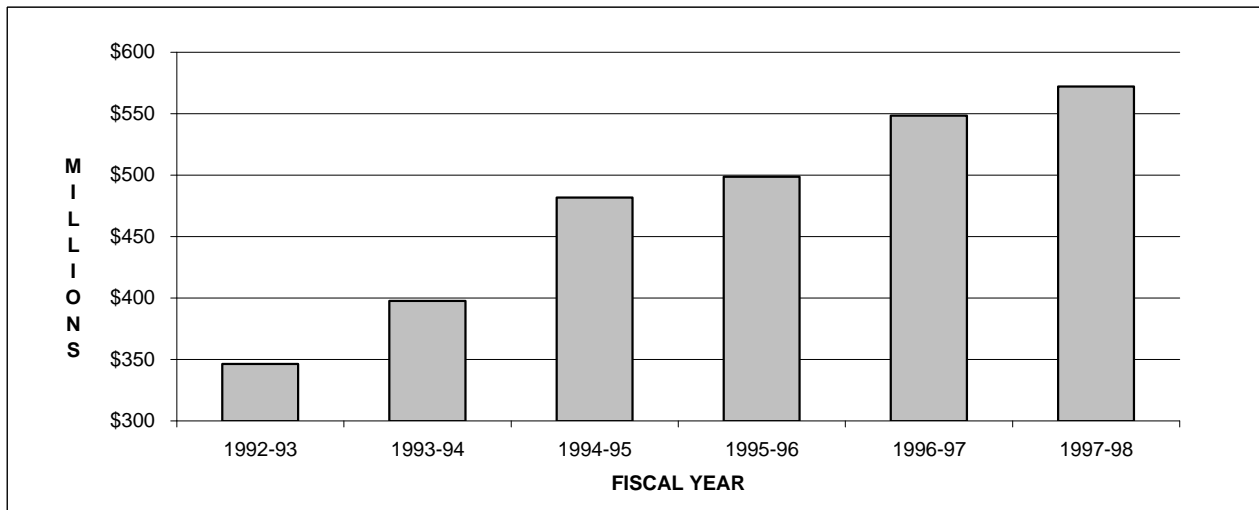
State General Fund since inception.

Sales and Use Tax Revenue (continued)

STATE 2% SALES AND USE TAX COLLECTION BY COUNTY
FISCAL YEAR 1997-98

COUNTY	TAX	% OF TOTAL
Carson City	\$ 13,665,049	2.67%
Churchill	4,278,229	0.83%
Clark	354,752,624	69.22%
Douglas	8,198,228	1.60%
Elko	15,483,064	3.02%
Esmeralda	221,977	0.04%
Eureka	3,454,111	0.67%
Humboldt	8,120,720	1.58%
Lander	2,190,174	0.43%
Lincoln	316,396	0.06%
Lyon	3,607,940	0.70%
Mineral	851,639	0.17%
Nye	5,032,780	0.98%
Pershing	1,473,472	0.29%
Storey	740,076	0.14%
Washoe	87,750,901	17.12%
White Pine	2,378,772	0.46%
Out of State	1,071	0.00%
Total	\$ 512,517,223	100.00%

LOCAL SCHOOL SUPPORT TAX REVENUE



FISCAL YEAR		TAX		PERMIT FEES		TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$	346,279,718	\$	12,269	\$	346,291,987	22.99%
1993-94		397,554,527		12,379		397,566,906	14.81%
1994-95		481,664,090		13,812		481,677,902	21.16%
1995-96		498,687,656		11,035		498,698,691	3.53%
1996-97		548,491,143		11,909		548,503,052	9.99%
1997-98		572,083,101		12,128		572,095,229	4.30%

LEGAL CITATION

Chapter 374 Nevada Revised Statutes.

RATE

2.25 percent on all taxable sales and taxable items of use.

CURRENT DISTRIBUTION OF REVENUE

99 percent of in-state collections returned to county of origin for distribution to school districts; 1 percent to State General Fund. 99 percent of out-of-state collections and other fees to State Distributive School Fund; 1 percent to State General Fund.

HISTORY

ORIGINALLY ENACTED

1967 session of State Legislature. Held constitutional by Nevada Supreme Court, June 1967; effective July 1, 1967. Amended 1981 session of State Legislature, effective May 1, 1981. Amended 1991 session of State Legislature, effective October 1, 1991.

RATE

July 1, 1967 to April 30, 1981 - 1 percent on all taxable sales and taxable items of use.

May 1, 1981 - 1.50 percent on all taxable sales and taxable items of use.

October 1, 1991 - 2.25 percent on all taxable sales and taxable items of use.

Local School Support Tax Revenue (continued)

DISTRIBUTION

July 1, 1967 to April 30, 1981 - 99 percent of in-state collections returned to county of origin for distribution to school districts. 1 percent to State General Fund. All out-of-state collections and other fees to State Distributive School Fund.

May 1, 1981 - State General Fund Commission reduced to .50 percent.

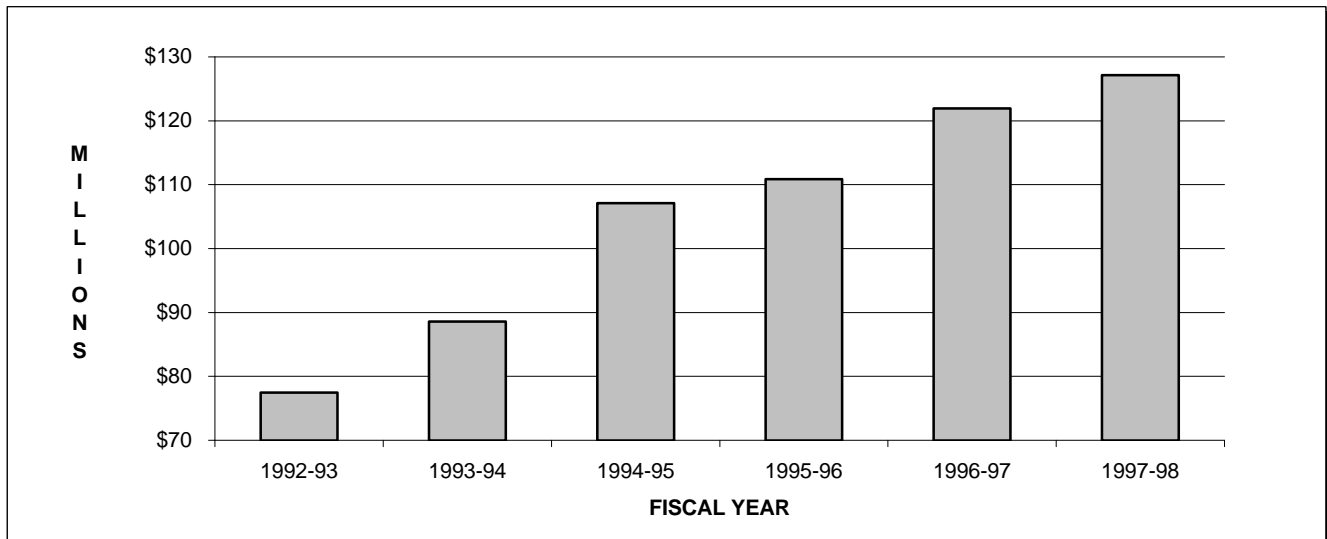
October 1, 1991 - State General Fund Commission increased to include collections on out-of-state sales.

July 1, 1993 - State General Fund Commission increased from .50 percent to 1 percent on in-state and out-of-state collections.

LOCAL SCHOOL SUPPORT TAX DISTRIBUTION
FISCAL YEAR 1997-98

COUNTY	TAX	% OF TOTAL
Carson City	\$ 14,401,367	2.52%
Churchill	4,434,799	0.78%
Clark	350,464,241	61.26%
Douglas	7,446,756	1.30%
Elko	14,089,721	2.46%
Esmeralda	72,460	0.01%
Eureka	281,169	0.05%
Humboldt	6,837,217	1.20%
Lander	1,279,359	0.22%
Lincoln	227,223	0.04%
Lyon	2,885,027	0.50%
Mineral	572,790	0.10%
Nye	4,219,848	0.74%
Pershing	569,191	0.10%
Storey	586,497	0.10%
Washoe	99,258,703	17.35%
White Pine	1,868,440	0.33%
Total County School District Distribution	\$ 509,494,808	89.06%
State Distributive School Fund	56,879,469	9.94%
State General Fund	5,720,952	1.00%
Total	\$ 572,095,229	100.00%

BASIC CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 77,438,962	\$ 12,269	\$ 77,451,231	8.86%
1993-94	88,549,898	12,379	88,562,277	14.35%
1994-95	107,100,134	13,812	107,113,946	20.95%
1995-96	110,848,285	11,035	110,859,320	3.50%
1996-97	121,902,820	11,909	121,914,729	9.97%
1997-98	127,138,672	12,128	127,150,799	4.29%

LEGAL CITATION

Chapter 377 Nevada Revised Statutes.

RATE

1/2 of 1 percent of all taxable sales and taxable items of use.

CURRENT DISTRIBUTION OF REVENUE

99 percent of in-state collections returned to county of origin for distribution to cities and counties; 1 percent to State General Fund; 99 percent out-of-state collections prorated amongst counties for distribution to cities and counties; combined collections distributed as follows: if no cities within county, 100 percent to county; if one city within county, to county and city, on basis of population ratio; if two or more cities within county, to cities only on basis of population ratio; 1 percent to State General Fund.

HISTORY

ORIGINALLY ENACTED

1969 session of State Legislature as the City/County Relief Tax, effective July 1, 1969. Levy effected by county ordinance.

Collected in Clark and Washoe Counties as of July 1, 1969; Lyon County, January 1, 1971; Douglas, Elko, Humboldt, Lincoln, Mineral Counties, May 1, 1971; Nye County, June 1, 1972; Pershing County, July 1, 1972; Churchill County, July 1, 1973; Carson City, April 1, 1976; Storey County, July 1, 1976; Lander County, July 1, 1979; White Pine County, July 1, 1980; Esmeralda and Eureka Counties, May 1, 1981.

1981 session of State Legislature; name changed to Basic City/County Relief Tax effective May 1, 1981 and levy required by State Statute.

Basic City/County Relief Tax Revenue (continued)

The 1997 session of the State Legislature approved SB254 effective July 1, 1998 beginning FY 98-99, which directed the Department to implement the Consolidated Tax Distribution program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution.

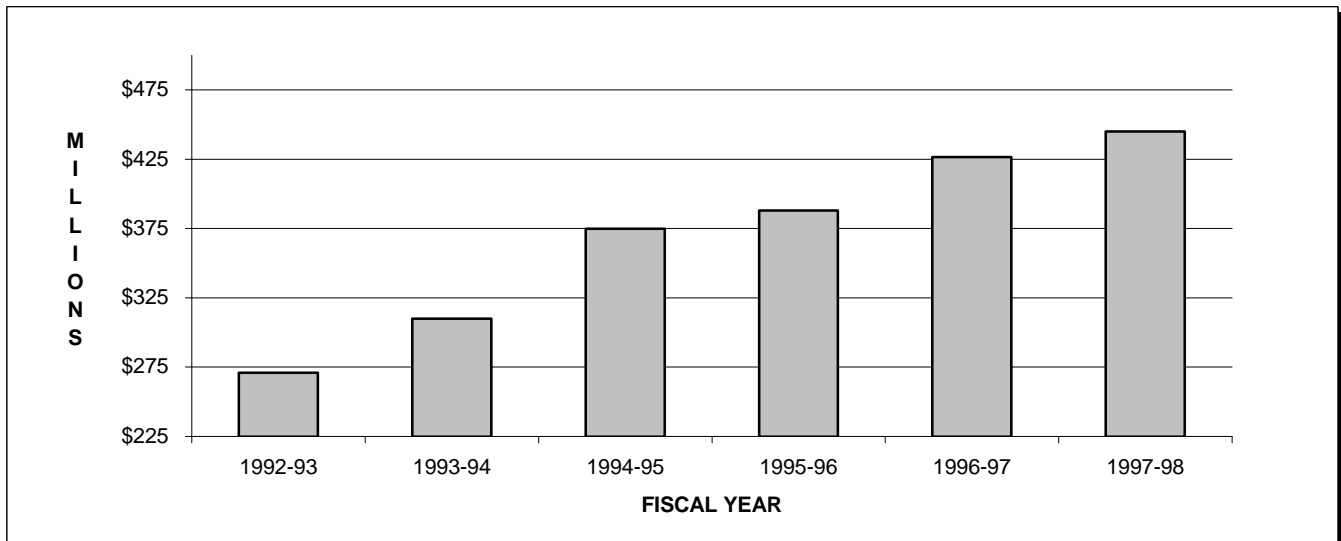
DISTRIBUTION

1969 levied for city/county support. 99 percent of in-state collections returned to county of origin; 1 percent to State General Fund; 100 percent out-of-state collections prorated amongst counties levying the tax; combined collections distributed as follows: if no cities within county, 100 percent to county; if one city within county, to county and city, on basis of population ratio; if two or more cities within county, to cities only on basis of population ratio; May 1, 1981 General Fund Commission reduced to .50 percent. Effective October 1, 1991, .50 percent General Fund Commission was imposed on out-of-state collections. Effective July 1, 1993 General Fund Commission increased to 1 percent on in-state and out-of-state collections.

BASIC CITY/COUNTY RELIEF TAX DISTRIBUTION
FISCAL YEAR 1997-98

CARSON CITY	\$ 3,433,667	LINCOLN COUNTY	\$ 73,023
		Caliente	27,436
CHURCHILL COUNTY	\$ 716,730	TOTAL	<u>\$ 100,459</u>
Fallon	373,493		
TOTAL	<u>\$ 1,090,223</u>	LYON COUNTY	\$ 892,550
		Yerington	97,101
CLARK COUNTY	\$ -	TOTAL	<u>\$ 989,651</u>
Boulder City	1,962,249		
Henderson	18,077,569	MINERAL COUNTY	\$ 237,815
Las Vegas	54,611,703		
Mesquite	1,052,448	NYE COUNTY	\$ 1,249,935
North Las Vegas	11,577,046	Gabbs	18,982
TOTAL	<u>\$ 87,281,015</u>	TOTAL	<u>\$ 1,268,917</u>
DOUGLAS COUNTY	\$ 2,091,098	PERSHING COUNTY	\$ 164,373
		Lovelock	131,421
ELKO COUNTY	\$ -	TOTAL	<u>\$ 295,794</u>
Carlin	350,930		
Elko	2,431,523	STOREY COUNTY	\$ 189,598
Wells	180,117		
West Wendover	394,719	WASHOE COUNTY	\$ -
TOTAL	<u>\$ 3,357,289</u>	Reno	15,885,992
		Sparks	6,170,780
ESMERALDA COUNTY	\$ 45,167	TOTAL	<u>\$ 22,056,772</u>
EUREKA COUNTY	\$ 670,386	WHITE PINE COUNTY	\$ 281,459
		Ely	266,924
HUMBOLDT COUNTY	\$ 914,334	TOTAL	<u>\$ 548,382</u>
Winnemucca	834,011		
TOTAL	<u>\$ 1,748,346</u>	TOTAL COUNTY /	
		CITY DISTRIBUTION	\$ 125,879,291
LANDER COUNTY	\$ 474,713	State General Fund	1,271,508
		TOTAL	<u><u>\$ 127,150,799</u></u>

SUPPLEMENTAL CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 271,036,174	8.87%
1993-94	309,925,038	14.35%
1994-95	374,850,223	20.95%
1995-96	387,970,588	3.50%
1996-97	426,660,323	9.97%
1997-98	444,986,569	4.30%

LEGAL CITATION

Chapter 377, Nevada Revised Statutes.
Chapter 354, Nevada Revised Statutes.

RATE

1.75 percent of all taxable sales and taxable items of use.

CURRENT DISTRIBUTION OF REVENUE

Per NRS 377.057; Supplemental City/County Relief Tax is a state mandated county imposed tax to partially replace local property taxes. 99 percent of total collections returned to local governments based on distribution formula; 1 percent to State General Fund.

HISTORY

ORIGINALLY ENACTED

1981 session of State Legislature; effective May 1, 1981.

AMENDMENTS

1983

Fire districts organized pursuant to Chapter 473 of Nevada Revised Statutes to be included in the distribution. Shifted authority to grant reserve fund distributions from the Interim Legislative Committee on Local Government Finance to the Nevada Tax Commission.

Supplemental City/County Relief Tax Revenue (continued)

AMENDMENTS (continued)

- | | |
|------|--|
| 1985 | Changed distribution of excess supplemental city/county relief tax receipts. When all entities within a county have received the maximum supplemental city/county relief tax allowable, excess is then deposited in the Reserve Fund. Shifted authority to grant Reserve Fund distributions from the Nevada Tax Commission to the Interim Finance Committee. Established the following maximum Reserve Fund amounts: 1.) \$10,000,000 for distribution to local governments in the event actual receipts in any one year are less than the estimated receipts for that year. 2.) \$2,500,000 for emergency distributions to local governments if unforeseen or uncontrollable conditions, existing or imminent, substantially impair the financial capacity of a local government to provide the basic services for which it was created. 3.) Any amount in excess of \$12,500,000 in the fund, at the beginning of the year, must be distributed to local governments in the following fiscal year. |
| 1987 | Eliminated redevelopment districts from the distribution of supplemental city/county relief tax. |
| 1989 | Removed the limitations on the amount of supplemental city/county relief tax a local government may receive in any one fiscal year. Eliminated the Reserve Fund and created the Emergency Fund of the supplemental city/county relief tax. The amount of the fund was set at \$2,500,000. Created the Redistribution Fund for the supplemental city/county relief tax and provided specific dollar allocations to the Town of Laughlin, Clark County, Churchill County and Elko County. |
| 1991 | Changed distribution of supplemental city/county relief tax at the county level. First a group of selected counties receive a guaranteed distribution from the total collections. The remaining funds are allocated to a second group of counties based on the percentage of county collections to the total collections for the group. Adjustments to ease the impact of the legislation to certain counties are made to the distribution formula. Counties in the guaranteed group will be moved into the point-of-origin group if their collections outpace their distribution by 10 percent in a fiscal year. Intracounty distributions were not amended by the Legislature. The Local Government Tax Act of 1991 authorized certain counties that were negatively impacted by the rebasing of the distribution formula to impose certain taxes to make up the revenue loss. |
| 1993 | The Local Government Tax Act of 1993 authorized certain counties that were negatively impacted by additional rebasing of the distribution formula to impose certain taxes to make up the revenue loss. These additional taxes, if imposed, are to be levied from October 1, 1993 through September 30, 1994. |
| 1997 | The 1997 session of the State Legislature approved SB254 effective July 1, 1998 beginning FY 98-99, which directed the Department to implement the Consolidated Tax Distribution program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution. |

SUPPLEMENTAL CITY/COUNTY RELIEF TAX DISTRIBUTION
FISCAL YEAR 1997-98

CARSON CITY	\$	11,385,506	LANDER COUNTY	\$	1,552,677
Other		258,795	Other		630,063
TOTAL	\$	11,644,300	TOTAL	\$	2,182,740
CHURCHILL COUNTY	\$	2,677,948	LINCOLN COUNTY	\$	714,366
Fallon		621,849	Caliente		53,998
Other		195,151	Other		223,411
TOTAL	\$	3,494,948	TOTAL	\$	991,776
CLARK COUNTY	\$	137,269,978	LYON COUNTY	\$	5,285,601
Boulder City		1,958,011	Yerington		60,708
Henderson		19,861,750	Other		693,135
Las Vegas		56,417,174	TOTAL	\$	6,039,444
Mesquite		3,613,132	MINERAL COUNTY	\$	1,517,738
North Las Vegas		6,383,439	Other		126,478
Other		73,795,046	TOTAL	\$	1,644,216
TOTAL	\$	299,298,530	NYE COUNTY	\$	3,807,796
DOUGLAS COUNTY	\$	3,957,258	Gabbs		20,082
Other		5,691,978	Other		1,000,778
TOTAL	\$	9,649,236	TOTAL	\$	4,828,656
ELKO COUNTY	\$	6,023,950	PERSHING COUNTY	\$	1,202,241
Carlin		378,565	Lovelock		64,883
Elko		3,058,862	Other		230,680
Wells		307,785	TOTAL	\$	1,497,804
West Wendover		767,061	STOREY COUNTY	\$	1,097,829
Other		903,908	Other		363
TOTAL	\$	11,440,131	TOTAL	\$	1,098,192
ESMERALDA COUNTY	\$	730,869	WASHOE COUNTY	\$	50,413,738
Other		37,371	Reno		11,640,560
TOTAL	\$	768,240	Sparks		5,593,814
EUREKA COUNTY	\$	2,448,254	Other		7,390,309
Other		46,182	TOTAL	\$	75,038,422
TOTAL	\$	2,494,436	WHITE PINE COUNTY	\$	1,663,246
HUMBOLDT COUNTY	\$	4,042,294	Ely		283,874
Winnemucca		1,200,028	Other		361,776
Other		919,345	TOTAL	\$	2,308,896
TOTAL	\$	6,161,667			
			TOTAL COUNTY/CITY DISTRIBUTION	\$	440,581,634
			State General Fund		4,449,866
			Less: Emergency Fund Transfers		44,931
			TOTAL	\$	444,986,569

Supplemental City/County Relief Tax (continued)

EMERGENCY FUND

Fund Balance	\$	504,462
Revenue Transferred for Distribution		
Interest and/or loan payments transferred for distribution to Local Governments	\$	44,931
Balance due on outstanding loans	\$	37,500

LOCAL GOVERNMENT TAX ACTS OF 1991 AND 1993
SPECIAL FUND COLLECTIONS AND DISTRIBUTIONS
FISCAL YEAR 1997-98

COLLECTIONS

CHURCHILL COUNTY

Sales and Use Tax	\$	519,194
Motor Vehicle Privilege Tax		299,202
Real Property Transfer Tax		12,819
Property Tax		88,297
Interest		7,757
TOTAL	\$	927,268

WASHOE COUNTY

Sales and Use Tax	\$	10,732,819
Motor Vehicle Privilege Tax		5,475,704
Gaming License Fee		878,809
Real Property Transfer Tax		478,057
Property Tax		1,996,266
Interest		77,405
TOTAL	\$	19,639,059

DISTRIBUTIONS

CHURCHILL COUNTY

Fallon	\$	710,504
Other		164,987
		51,777
TOTAL	\$	927,268

WASHOE COUNTY

Reno	\$	13,194,270
Sparks		3,046,571
Other		1,464,019
		1,934,199
TOTAL	\$	19,639,059

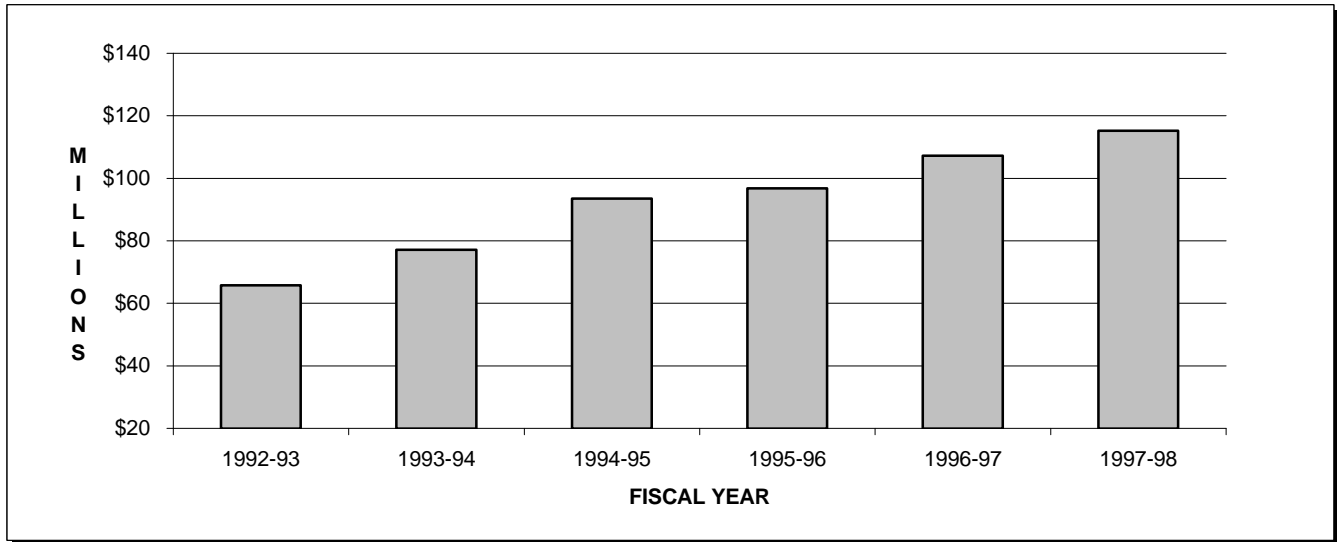
DELINQUENT TAX COLLECTIONS

CARSON CITY	\$	135.55
DOUGLAS COUNTY		0.03
ESMERALDA COUNTY		0.03
HUMBOLDT COUNTY		0.01
LANDER COUNTY		0.02
MINERAL COUNTY		26.10
NYE COUNTY		403.33
WHITE PINE COUNTY		153.40
TOTAL	\$	718.47

DELINQUENT TAX DISTRIBUTIONS

CARSON CITY	\$	135.55
DOUGLAS COUNTY		0.03
ESMERALDA COUNTY		0.03
HUMBOLDT COUNTY		0.01
LANDER COUNTY		0.02
MINERAL COUNTY		26.10
NYE COUNTY		403.33
WHITE PINE COUNTY		153.40
TOTAL	\$	718.47

LOCAL OPTION SALES AND USE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 65,798,970	18.61%
1993-94	77,110,569	17.19%
1994-95	93,511,405	21.27%
1995-96	96,781,324	3.50%
1996-97	107,224,107	10.79%
1997-98	115,186,079	7.43%

LEGAL CITATION

Chapter 377A, Nevada Revised Statutes.
Chapter 543, Nevada Revised Statutes.

RATE

.25 percent of all taxable sales and taxable items of use in a county.

CURRENT DISTRIBUTION OF REVENUE

Per NRS 377A.020: The board of county commissioners may impose a tax of .25 percent for mass transit or the construction of public roads; or counties with population of less than 400,000 may impose a .25 percent tax for the promotion of tourism. NRS 377B.100 provides that a county, under certain population requirements, may impose up to .25 percent tax for infrastructure; NRS 543.600 provides that a county whose population is 400,000 or more may impose a .25 percent tax for the purpose of flood control. 99 percent of collection returned to county of origin; 1 percent to State General Fund. Special Acts of legislature have provided for certain counties to impose additional option taxes for specific local purposes.

HISTORY

ORIGINALLY ENACTED

1981 session of State Legislature. Washoe County enacted ordinance effective November 1, 1982; Storey County effective August 1, 1985; Nye County effective May 1, 1986; Churchill and White Pine Counties effective November 1, 1986; Carson City effective January 1, 1988; and Clark County effective March 1, 1988.

AMENDMENTS

1985

Amended NRS 377A.020 by adding that the tax may be used for the construction of public roads, and NRS 543.600 stipulates for the purpose of flood control.

Local Option Sales and Use Tax (continued)

AMENDMENTS (continued)

1989	Amended NRS 543.600 by increasing the population limitation from 250,000 to 400,000 or more in a county that may consider imposing a tax for flood control.
1991	Implemented the Local Government Tax Act of 1991, AB 104 authorizing certain counties that were negatively impacted by the change to the Supplemental County/City Relief Tax distribution formula to impose by county ordinance an additional ¼ of 1 percent sales and use tax.
1993	Implemented the Local Government Tax Act of 1993, SB 506 authorizing certain additional counties that were negatively impacted by additional changes to the Supplemental City/County Relief Tax distribution formula to impose by county ordinance ¼ of 1 percent sales and use tax from October 1, 1993 through September 30, 1994.
1995	Allowed the Tri-County Railway Commission to impose ¼ of 1 percent sales and use tax in a county upon approval of the voters.
1997	Ratified Carson City voter approval imposition of ¼ of 1 percent sales and use tax for open space. Added chapter 377B, tax for infrastructure to Nevada Revised Statutes.

LOCAL OPTION SALES AND USE TAXES DISTRIBUTION
FISCAL YEAR 1997-98

COUNTY	PROVISIONS	USE OF PROCEEDS	AMOUNT
Option Tax			
Carson City	377A	Public Roads	\$ 1,653,457
Churchill	377A	Public Roads	519,294
Clark	377A	Regional Transportation	43,558,697
Clark	543	Flood Control	43,574,673
Nye	377A	Public Roads	634,743
Storey	377A	Tourism	94,159
Washoe	377A	Regional Transportation	10,734,556
White Pine	377A	Public Roads	292,590
Special Acts			
Churchill	491	Local Government Tax Act of 1991	519,194
Esmeralda	475	Local Government Tax Act of 1993	-
Mineral	476	Local Government Tax Act of 1993	23
Nye	477	Local Government Tax Act of 1993	503
Storey	566	Tricounty Railway Commission	89,534
Washoe	491	Local Government Tax Act of 1991	10,732,819
Miscellaneous Amendments			
Carson City		Open Space	1,629,977
Total to Counties			\$ 114,034,218
State General Fund			1,151,861
TOTAL			<u><u>\$ 115,186,079</u></u>

TAXABLE SALES COMPARISON

Taxable Sales Comparison by County

County	Fiscal Year 1996-97		Fiscal Year 1997-98	% Change
Carson City	\$	638,138,117	\$ 670,182,116	5.0%
Churchill		202,588,958	210,694,335	4.0%
Clark		16,554,770,916	17,520,355,574	5.8%
Douglas		408,580,415	416,918,011	2.0%
Elko		804,648,659	753,452,854	-6.4%
Esmeralda		14,362,243	11,303,117	-21.3%
Eureka		222,728,984	177,311,933	-20.4%
Humboldt		494,927,346	406,865,804	-17.8%
Lander		162,887,144	110,238,996	-32.3%
Lincoln		21,777,163	16,513,983	-24.2%
Lyon		160,331,217	177,736,087	10.9%
Mineral		54,052,502	43,772,449	-19.0%
Nye		263,820,903	256,982,623	-2.6%
Pershing		83,257,767	74,571,976	-10.4%
Storey		64,416,575	37,758,863	-41.4%
Washoe		4,240,920,821	4,359,037,576	2.8%
White Pine		133,508,480	116,854,277	-12.5%
Out of State		46,606	-	-100.0%
STATE TOTAL	\$	24,525,764,816	\$ 25,360,550,574	3.4%

Taxable Sales Comparison by Business Type

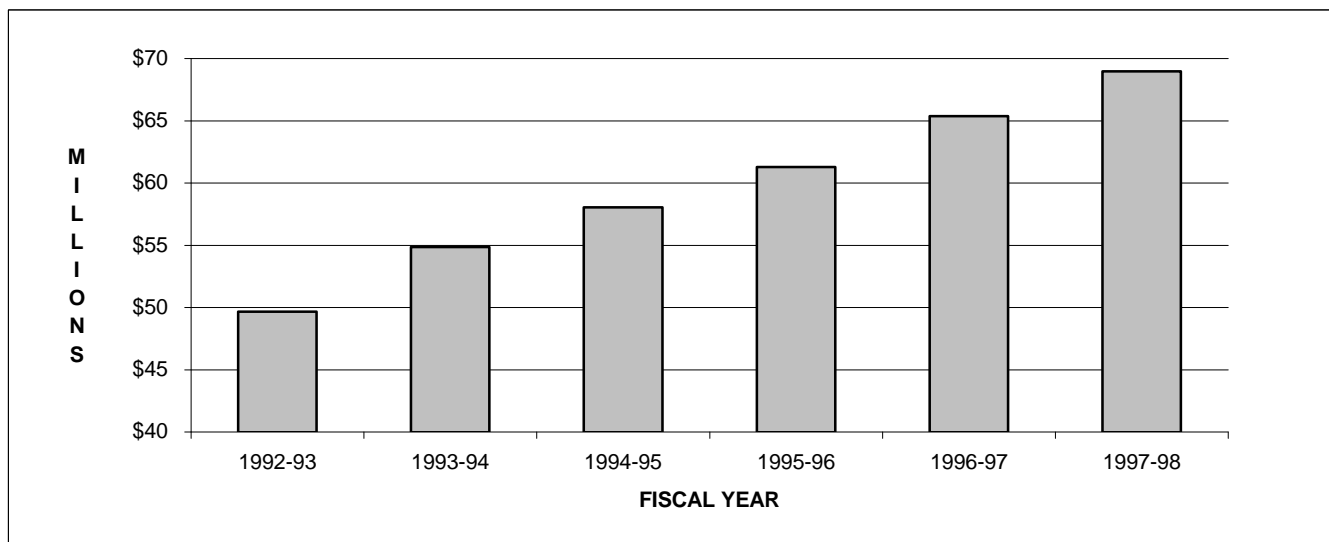
Business Code and Type	Fiscal Year 1996-97	Fiscal Year 1997-98	% Change
01 Agricultural Production-Crops	\$ 5,092,732	\$ 4,298,007	-15.6%
02 Agricultural Production-Livestock	2,848,290	2,443,416	-14.2%
07 Agricultural Services	30,051,471	31,793,406	5.8%
08 Forestry	318,602	358,491	12.5%
09 Fishing, Hunting, and Trapping	173,603	4,434	-97.4%
10 Metal Mining	226,410,889	167,778,458	-25.9%
12 Coal Mining	67,830	-	-100.0%
13 Oil and Gas Extraction	14,114,896	16,822,196	19.2%
14 Mining and Quarrying of Nonmetallic Minerals	8,251,933	8,332,293	1.0%
15 Building Construction-General Contractors	200,722,306	178,166,838	-11.2%
16 Heavy Construction other than Bldg. Construction	126,922,375	117,148,189	-7.7%
17 Construction-Special Trade Contractors	761,937,299	806,581,073	5.9%
20 Food and Kindred Products	21,594,799	22,285,484	3.2%
21 Tobacco Products	781,756	1,398,416	78.9%
22 Textile Mill Products	11,718,413	11,518,776	-1.7%
23 Apparel and Other Finished Products	1,377,533	1,423,594	3.3%
24 Lumber and Wood Products, Except Furniture	36,324,567	36,145,128	-0.5%
25 Furniture and Fixtures	31,223,112	31,508,280	0.9%
26 Paper and Allied Products	5,692,472	7,542,283	32.5%
27 Printing, Publishing, and Allied Industries	41,712,017	36,875,500	-11.6%
28 Chemicals and Allied Products	118,210,324	99,923,774	-15.5%
29 Petroleum Refining and Related Industries	36,940,117	33,066,994	-10.5%
30 Rubber and Misc Plastics Products	6,890,720	8,113,786	17.7%
31 Leather and Leather Products	1,169,649	798,246	-31.8%
32 Stone, Clay, Glass, and Concrete Products	126,612,397	128,873,835	1.8%
33 Primary Metal Industries	12,322,072	12,380,269	0.5%
34 Fabricated Metal Products	59,951,697	75,578,579	26.1%
35 Industrial and Commercial Machinery	290,687,951	286,450,151	-1.5%
36 Electronic and Other Electrical Equipment	151,826,887	146,159,255	-3.7%
37 Transportation Equipment	20,152,527	20,258,245	0.5%
38 Measuring, Analyzing and Controlling Instruments	23,090,627	34,320,242	48.6%
39 Misc. Manufacturing Industries	124,253,521	112,326,277	-9.6%
40 Railroad Transportation	1,846,726	3,466,339	87.7%
41 Local and Suburban Transit	4,945,049	6,327,311	28.0%
42 Motor Freight Transportation and Warehousing	11,352,345	12,517,199	10.3%
43 United States Postal Service	1,393,793	273,632	-80.4%
44 Water Transportation	2,051,869	2,107,461	2.7%
45 Transportation By Air	25,425,532	26,624,422	4.7%
46 Pipelines, Except Natural Gas	1,026,198	882,826	-14.0%
47 Transportation Services	11,054,717	12,745,446	15.3%
48 Communications	185,007,177	236,054,492	27.6%
49 Electric, Gas, and Sanitary Services	196,881,467	182,451,800	-7.3%
50 Wholesale Trade-Durable Goods	1,823,054,730	1,817,744,237	-0.3%
51 Wholesale Trade-Nondurable Goods	259,950,680	258,498,953	-0.6%
52 Bldg. Materials, Hardware, Garden, Mobile Homes	1,917,620,560	1,875,806,974	-2.2%
53 General Merchandise Stores	1,762,829,623	1,903,658,012	8.0%
54 Food Stores	1,125,682,314	1,163,893,108	3.4%
55 Automotive Dealers and Gasoline	3,129,137,586	3,231,015,891	3.3%

Taxable Sales Comparison by Business Type (continued)

Business Code and Type	Fiscal Year 1996-97	Fiscal Year 1997-98	% Change
56 Apparel and Accessory Stores	\$ 859,568,470	\$ 997,797,446	16.1%
57 Home Furniture, Furnishings and Equipment	1,198,299,610	1,300,347,455	8.5%
58 Eating and Drinking Places	3,993,870,671	4,126,135,226	3.3%
59 Miscellaneous Retail	2,567,359,165	2,669,324,802	4.0%
60 Depository Institutions	16,043,179	14,965,784	-6.7%
61 Nondepository Credit Institutions	231,834,548	217,941,620	-6.0%
62 Security and Commodity Brokers	3,273,632	11,700,793	257.4%
63 Insurance Carriers	871,283	469,382	-46.1%
64 Insurance Agents, Brokers, and Service	914,607	1,191,968	30.3%
65 Real Estate	21,222,615	26,151,518	23.2%
67 Holding and Other Investment Offices	424,766	789,225	85.8%
70 Hotels, Rooming Houses, Camps, and Lodging	45,520,460	77,009,544	69.2%
72 Personal Services	102,757,864	99,579,570	-3.1%
73 Business Services	1,008,540,015	1,070,196,887	6.1%
75 Automotive Repair, Services, and Parking	679,457,746	747,439,687	10.0%
76 Miscellaneous Repair Services	139,091,216	121,259,163	-12.8%
78 Motion Pictures	54,518,056	51,902,282	-4.8%
79 Amusement and Recreation Services	497,996,328	481,123,510	-3.4%
80 Health Services	56,186,356	56,398,197	0.4%
81 Legal Services	1,913,778	3,003,622	56.9%
82 Educational Services	3,983,984	3,240,762	-18.7%
83 Social Services	368,781	497,361	34.9%
84 Museums and Art Galleries	319,816	279,052	-12.7%
86 Membership Organizations	18,655,206	13,955,338	-25.2%
87 Engineering, Accounting, Research and Mgt.	16,623,594	21,319,185	28.2%
88 Private Households	4,149	3,938	-5.1%
89 Miscellaneous Services	13,573,574	8,446,003	-37.8%
91 Executive, Legislative and General Govt.	-	468,453	100.0%
92 Justice, Public Order, and Safety	1,560	4,252	172.6%
93 Public Finance, Taxation, and Monetary Policy	-	-	0.0%
94 Administration of Human Resource Programs	23,790	22,609	-5.0%
95 Administration of Environmental Quality	282,376	118,320	-58.1%
96 Administration of Economic Programs	-	34,050	100.0%
97 National Security and International Affairs	10,359	57,923	459.2%
99 Nonclassifiable Establishments	33,547,512	62,633,629	86.7%
STATE TOTAL	<u>\$ 24,525,764,816</u>	<u>\$ 25,360,550,574</u>	3.4%

The above comparisons for Fiscal Year 1996-97 and Fiscal Year 1997-98 on taxable sales are based on figures provided on sales and use tax returns by registered permit holders in and out of the State of Nevada. Large increases or decreases may be due to audits, deficiency determinations, etc., performed on taxpayers doing business in a county.

BUSINESS TAX



FISCAL YEAR	LICENSE FEES		TAX		TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$	195,539	\$	49,478,957	\$ 49,674,496	2.95%
1993-94		242,015		54,619,334	54,861,349	10.44%
1994-95		330,160		57,727,142	58,057,302	5.83%
1995-96		376,953		60,904,173	61,281,126	5.55%
1996-97		318,836		65,047,445	65,366,281	6.67%
1997-98		455,542		68,518,135	68,973,677	5.52%

LEGAL CITATION

Chapter 364A Nevada Revised Statutes.

IMPOSITION AND RATE

Business License Fee \$25. A tax imposed upon the privilege of conducting business in the State of Nevada, at the rate of \$25 per quarter for each equivalent full-time employee employed by a business.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

1991 session of the State Legislature, effective July 1, 1991. The tax due is based on the average number of employees per calendar quarter, determined from a graduated tax table beginning with more than 0 employees, \$25 per quarter; through more than 999 employees, not to exceed \$100,000 per quarter in tax. The three primary methods to determine the average number of employees include: A) determine the total number of employees on the payroll during the week that includes the 12th day of the month for each of the months in the quarter; divide by 3; B) total employee payroll for a quarter is divided by the "average wage factor" (AWF) to obtain the average number of employees. The average wage factor is set by the Department each fiscal year; C) divide the quarterly payroll by a special average wage factor if approved by the Department; multiply by 1.33 to determine the number of employees. This method is used by businesses that have 50 percent or more of their employees, working 20 or less hours per week.

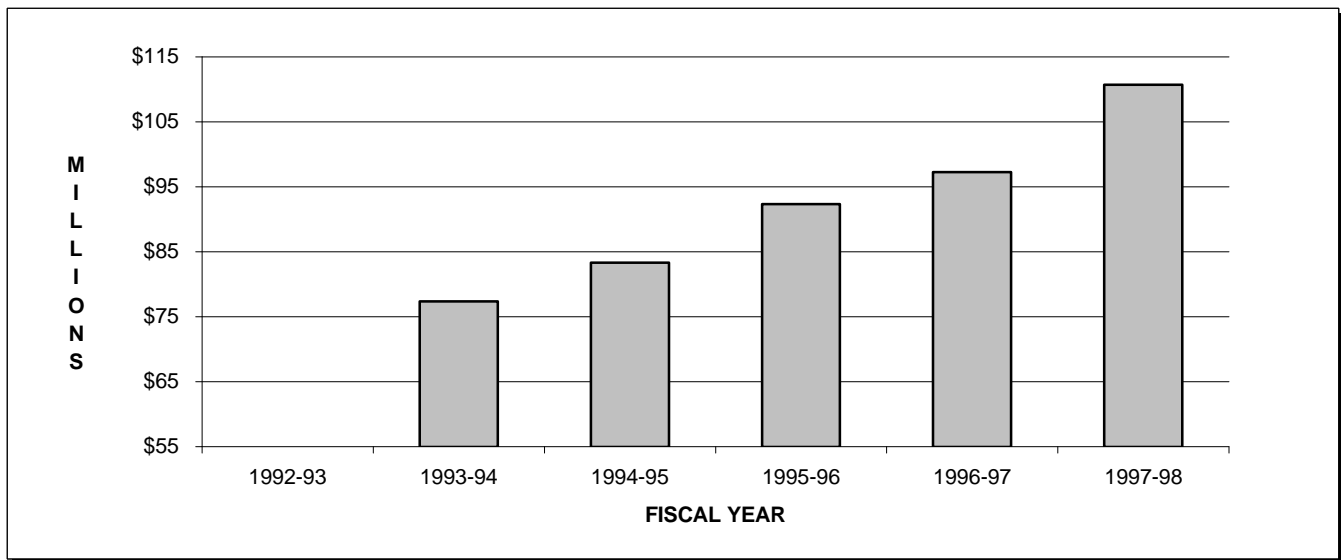
Business Tax (continued)

AMENDMENTS

1993 session of the State Legislature, per AB 394, effective July 1, 1993 eliminated the graduated tax table on the average number of employees and the \$100,000 tax cap per quarter. The amount of tax due per quarter for a business was changed to \$25 for each employee.

Effective January 1, 1994, per AB 456, the basis for calculating the tax was changed to the total number of equivalent full-time employees employed by the business in a quarter. The number of equivalent full-time employees may be calculated by: A) determining the total number of hours worked per quarter, not to exceed 468 hours per full-time employee; or B) by multiplying 7.2 hours by the number of days each full-time employee was employed up to a maximum of 65 days per quarter. To either of these methods is added the total number of hours worked by part-time employees; the result is divided by 468 to determine the number of equivalent full-time employees.

INSURANCE PREMIUM TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	-	N/A
1993-94	\$ 77,368,184	N/A
1994-95	83,342,058	7.72%
1995-96	92,359,073	10.82%
1996-97	97,274,410	5.32%
1997-98	110,734,229	13.84%

LEGAL CITATION

Chapter 680B Nevada Revised Statutes.

IMPOSITION AND RATE

A tax imposed for the privilege of transacting business in this State. Each insurer shall pay a tax upon his net direct premiums and net direct considerations written, at the rate of 3.5 percent. The premium tax is due on March 15 of each year on premiums written in the prior calendar year. Insurers writing \$2,000 or more in premiums in a calendar year must pay quarterly tax payments based on actual net direct premiums and net direct considerations written for the current reporting quarter. An insurer is entitled to a "Home Office Credit" of 50 percent of the aggregate amount of tax due and full credit for ad valorem taxes paid by the insurer during the preceding calendar year if the insurer maintains a home office or regional home office in Nevada. Other stipulations apply. These credits cannot exceed 80 percent of the tax otherwise due.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

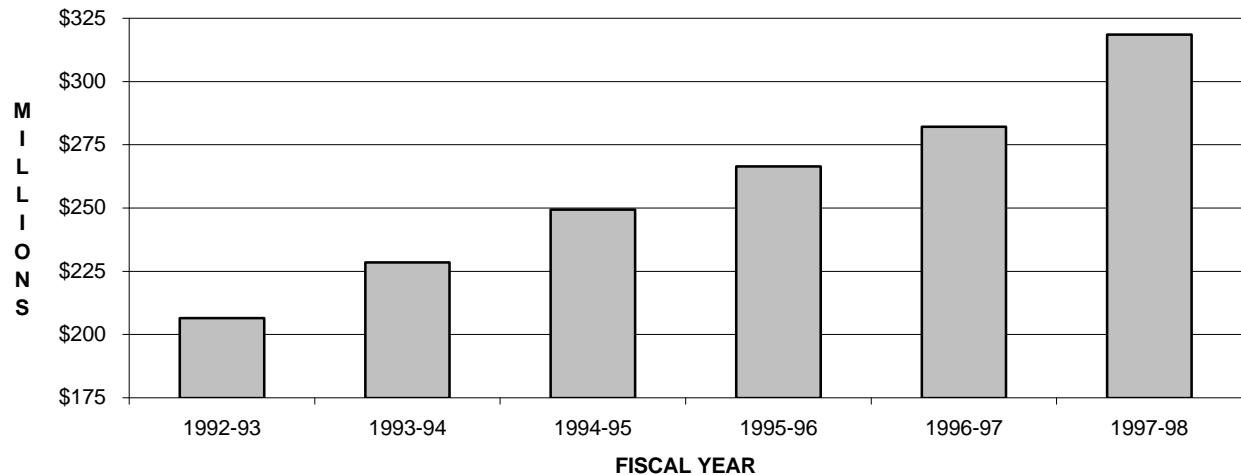
HISTORY

ORIGINALLY ENACTED

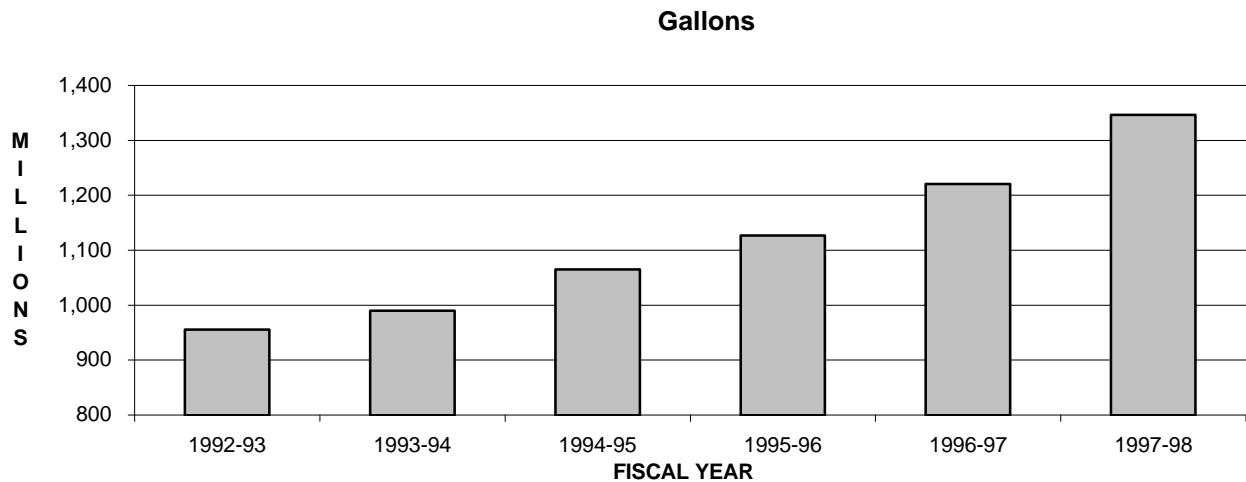
1933 session of the State legislature.

1993 session of the State Legislature transferred the function of tax collection to the Department of Taxation from the Department of Insurance effective July 1, 1993 per AB 782.

MOTOR FUEL TAX REVENUE



FISCAL YEAR	STATE AND LOCAL GAS TAXES	PETROLEUM INSPECTION FEE	JET FUEL TAX	PETROLEUM PRODUCTS CLEANUP FEE	TOTAL COLLECTIONS
1992-93	\$ 191,339,725	\$ 510,480	\$ 7,068,236	\$ 7,518,469	\$ 206,436,910
1993-94	213,713,170	489,969	7,261,055	6,990,950	228,455,144
1994-95	233,177,081	505,315	8,527,717	7,172,812	249,382,925
1995-96	247,888,102	504,855	9,082,548	8,936,730	266,412,235
1996-97	261,325,721	529,310	10,391,425	9,834,496	282,080,952
1997-98	296,077,460	583,898	10,817,006	11,109,430	318,587,793



FISCAL YEAR	GALLONS*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS*	% CHANGE FROM PRIOR YEAR
1992-93	955,336,458	4.24%	1995-96	1,126,816,310	5.81%
1993-94	990,085,012	3.64%	1996-97	1,220,602,444	8.32%
1994-95	1,064,897,332	7.56%	1997-98	1,346,394,398	10.31%

* Includes Jet Fuel

Motor Fuel Tax Revenue (continued)

LEGAL CITATIONS

Chapter 365 Nevada Revised Statutes.
Chapter 373 Nevada Revised Statutes.
Chapter 590 Nevada Revised Statutes.

RATE

23 cents statewide, additional 1 through 9 cent optional county levy, additional 1 cent county levy.

DISTRIBUTION

Nevada's constitution provides that proceeds from the gasoline tax must be used for purposes related to highway construction, maintenance and repair. Administrative costs pertaining to collection can be paid out of the proceeds.

17.65 cents State Tax and Licenses	State Highway Fund
17.65 cents State Gasohol Tax	State Highway Fund
5.35 cents County Tax - State Mandated	Counties - for construction, maintenance and repair of county and city streets.
1 - 9 cents Optional County Tax	Counties - for regional highway and street construction.
1 cent County Tax	Counties - to repair or restore existing paved roads not maintained by the Federal Government or State.
NOTE:	This 1 cent county tax is not to be included with the 1 through 9 cent county option.
10.5 cents Aviation Tax 2 cents effective 10-01-97	Civil Air Patrol Fund and Counties
1 - 8 cents Optional Aviation Tax	Counties
0.055 of a cent Petroleum Inspection Fee	State General Fund and Department of Agriculture.
1 cent Jet Fuel Tax 1 - 4 cents Optional County Jet Fuel Tax	Governmental entity that owns the airport where the tax was collected, or if the airport is privately owned, to the county where the airport is located.
Other	State Parks System, Department of Wildlife, Administrative Costs and Refunds.
0.75 of a cent Petroleum Discharge Cleanup Fee	Department of Conservation and Natural Resources, Environmental Protection Division.

HISTORY

ORIGINALLY ENACTED	1923 Session of State Legislature.
RATE (STATEWIDE, MANDATORY)	1923 - 1925, 2 cents; 1925 - 1947, 4 cents; 1947 - 1955, 5 1/2 cents; 1955 - June 1981, 6 cents; July 1981, 10 1/2 cents; July 1982, 12 cents; July 1985 - June 30, 1987, 13 cents; July 1, 1987 - June 30, 1988, 16 cents; July 1, 1988, 18 cents; October 1, 1991, 20.5 cents; October 1, 1992, 23 cents.
AMENDMENTS	<p>1923 \$60,000 to State Highway Department, and after administrative costs, the balance to be distributed among the counties based on number of state licensed motor vehicles in each county.</p> <p>1925 The 1923 act was repealed. The new 4 cent tax was dedicated to the support of the State Highway Department, part of the revenue to be used for payment of county road bond redemption and interest.</p> <p>1947 The Legislature adopted an additional 1.5 cent tax for local road construction, maintenance and repair.</p> <p>1955 The Legislature increased the state rate to 4.5 cents per gallon. The local government share remained at 1.5 cents per gallon of the overall 6 cent rate. One cent of the 1.5 cent local rate is optional. The other .5 cent is distributed by State prescribed formula:</p> <ol style="list-style-type: none"> (1) One-fourth is proportional by ratio of county area to total state area; (2) One-fourth is proportional by ratio of county population to total state population; (3) One-fourth is proportional by ratio of county mileage to total state road mileage and street mileage; and (4) One-fourth is proportional to miles traveled on roads and streets within the county to total miles traveled in the state. <p>1965 The Legislature authorized an additional optional 1 cent tax for Washoe and Clark Counties for regional street and highway plans.</p> <p>1966 The special session of the Legislature extended the above option to all counties with regional street and highway plans.</p> <p>1969 The Legislature authorized an increase in optional county tax from 1 cent to 2 cents effective July 1, 1969.</p> <p>1979 The Legislature authorized an additional county option tax of 2 cents if approved by voters of the county. The board of county commissioners may submit to voters at any election.</p> <p>1981 Effective July 1, 1981, the Legislature increased the State rate to 8 cents per gallon on gasoline and 7 cents per gallon on gasohol which had been previously combined with gasoline tax. The county share was increased to 2.5 cents per gallon distributed as follows: 1.5 cents according to gallons to county; 1 cent distributed by State prescribed formula. The optional county tax was increased to 1, 2, 3, or 4 cents.</p>

Motor Fuel Tax Revenue (continued)

- AMENDMENTS (continued)
- 1982 Effective July 1, 1982, the State rate was increased to 9 cents per gallon on gasoline and 8 cents per gallon on gasohol. The county share was increased to 3 cents per gallon distributed as follows: 1.75 cents according to gallons to county; 1.25 cents distributed by State prescribed formula.
- 1983 The Legislature authorized an excise tax of up to and including 1 cent per gallon if approved by the voters of the county or city. The board of county commissioners or governing body of an incorporated city may submit to the voters at any election.
- 1985 Effective July 1, 1985, the State rate was increased to 10 cents per gallon on gasoline and 9 cents per gallon on gasohol. The up to and including 1 cent county option rate was established at a full 1 cent per gallon rate to be voted upon by the entire county and, if passed, enacted countywide.
- 1987 Effective July 1, 1987, the State rate was increased to 11.72 cents per gallon on gasoline and gasohol. The county share was increased to 4.28 cents per gallon distributed as follows: 1.75 cents according to gallons to county; 2.53 cents distributed by State prescribed formula.
- 1988 Effective July 1, 1988, the State rate was increased to 12.65 cents per gallon on gasoline and gasohol. The State mandated county share was increased to 5.35 cents per gallon distributed as follows: 1.75 cents according to gallons to county; 3.60 cents distributed by State prescribed formula.
- 1989 Effective October 1, 1989, the Petroleum Products Inspection Fee was increased from 0.05 to 0.055 of a cent per gallon. This fee is assessed on the importation of gasoline and lubricating oil into Nevada.
- Effective October 1, 1989, a Petroleum Products Discharge Cleanup Fee of 0.6 of a cent per gallon was imposed upon motor vehicle fuel, diesel fuel number 1 and 2 and heating oil imported into or refined in Nevada.
- 1991 Effective July 1, 1991, the Legislature authorized an excise tax of up to and including 4 cents per gallon on jet fuel if approved by the voters of the county. The board of county commissioners may submit to the voters at any election. The county shall not allow any discounts, exemptions or other variance of the tax to any taxpayer except to the State or a political subdivision of the State.
- Effective July 1, 1991, the Legislature changed the distribution of the 1 cent jet fuel tax from the State General Fund to the county in which the fuel was sold.
- Effective October 1, 1991, the State rate was increased to 15.15 cents per gallon on gasoline and gasohol. The county share remained the same.
- The Legislature authorized an increase of the county option excise tax rate of up to and including 9 cents per gallon. The increase can be enacted by county ordinance.
- The Legislature changed the 1 cent county option tax to a 1 cent county mandatory tax.
- 1992 Effective October 1, 1992, the State rate was increased to 17.65 cents per gallon on gasoline and gasohol.

Motor Fuel Tax Revenue (continued)

AMENDMENTS (continued) 1995 Effective July 1, 1995, the Aviation Fuel Tax rate was decreased to a flat rate of 10.5 cents per gallon and program refunds were discontinued.

Effective July 1, 1995, the Petroleum Discharge Cleanup Fee increased to .75 of a cent per gallon.

1997 Effective July 1, 1997, excise tax on leaded racing fuel was removed.

Effective October 1, 1997, state tax on aviation fuel was reduced to 2 cents. County government was given the authority to levy a 1 to 8 cent option tax on aviation fuel.

MOTOR FUEL TAX DISTRIBUTION

FISCAL YEAR 1997-98

	<u>Gallons</u>	<u>Net Tax</u>
17.65 cents Gasoline and Gasohol Tax - State Highway Fund	931,210,445	\$ 158,626,624
5.35 cents County - State Mandated		47,579,591
Aviation Fuel	5,497,725	208,630
Jet Fuel	409,756,904	10,817,006
1 to 9 cents County Option Gas Tax		75,801,234
1 cent Mandatory County Gas Tax		9,097,587
Petroleum Inspection Fee - State General Fund		530,816
Petroleum Inspection Fee - Department of Agriculture		53,082
Petroleum Products Cleanup Fee - Division of Environmental Protection		11,109,430
Dealers License - State Highway Fund		85
SUBTOTAL	<u>1,346,465,074</u>	<u>\$ 313,824,083</u>
Other Distributions:		
Civil Air Patrol		\$ 85,000
State Parks System - Marina Development		1,434,744
Department of Wildlife		1,434,744
Local Government Fuel Tax Study		250,000
Department of Taxation - Administrative Costs		599,740
Off-Highway Use Refunds: Farmer - Rancher		447,214
General Users		221,174
Tribal		291,095
TOTAL COLLECTIONS		<u><u>\$ 318,587,793</u></u>

RECAP OF MOTOR FUEL TAX DISTRIBUTIONS TO COUNTIES

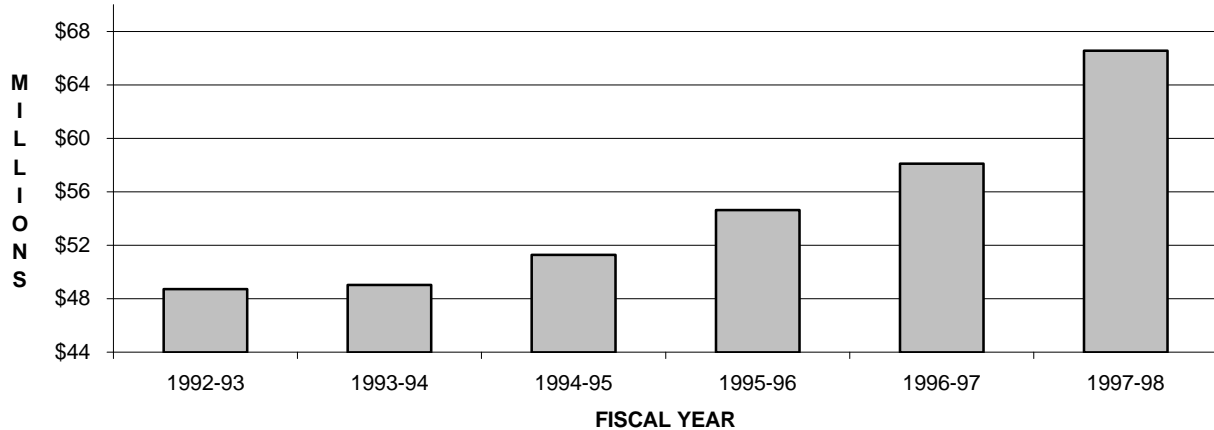
FISCAL YEAR 1997-98

COUNTY	5.35¢ County Gas Tax	1¢ to 9¢ County Option	1¢ County Option	State & Optional Aviation Taxes	Total County Distribution
Carson City	\$ 1,214,197	\$ 3,226,147	\$ 360,202	\$ 6,843	\$ 4,807,389
Churchill	1,180,795	551,092	138,476	1,810	1,872,172
Clark	22,255,456	50,719,910	5,658,766	141,749	78,775,881
Douglas	978,342	876,106	220,250	11,345	2,086,043
Elko	3,205,635	1,308,518	328,792	7,770	4,850,714
Esmeralda	431,493	14,917	3,612		450,023
Eureka	648,102	94,281	24,251		766,635
Humboldt	1,565,412	1,208,767	175,736	5,599	2,955,515
Lander	902,898	216,074	54,298	2,524	1,175,795
Lincoln	1,184,047	119,141	29,483		1,332,671
Lyon	884,552	1,358,038	151,081	1,118	2,394,790
Mineral	535,490	309,182	34,536	543	879,751
Nye	2,467,824	762,514	191,465	2,396	3,424,199
Pershing	985,884	439,376	49,071	361	1,474,691
Storey	81,389	18,234	4,582		104,204
Washoe	7,506,092	14,249,477	1,590,197	24,315	23,370,081
White Pine	1,551,985	329,459	82,788	2,257	1,966,489
Total County Distribution	\$ 47,579,591	\$ 75,801,234	\$ 9,097,587	\$ 208,630	\$ 132,687,041

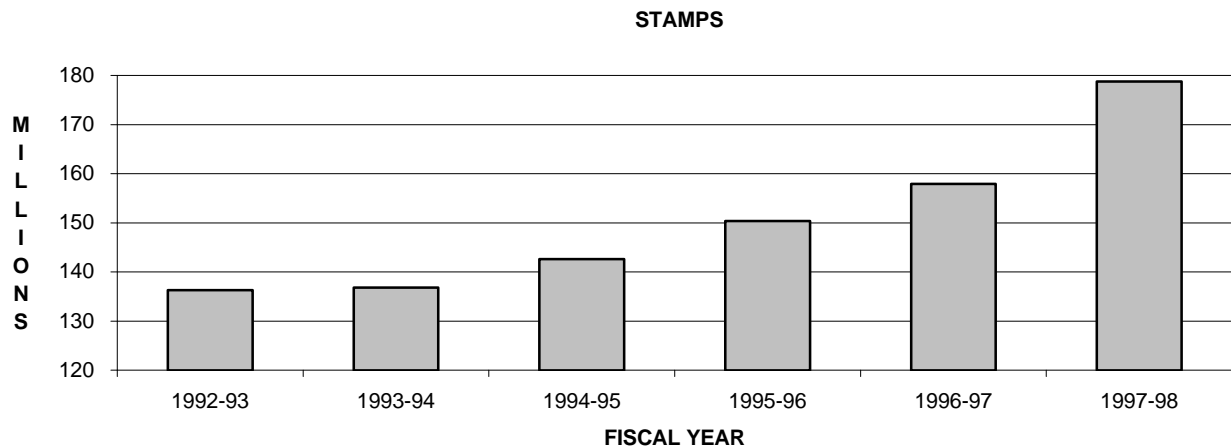
RECAP OF JET FUEL TAX DISTRIBUTION FISCAL YEAR 1997-98

ENTITY	
Carson City Airport Authority	\$ 1,333
Boulder City	1,681
Churchill County	-
Clark County	10,104,362
Douglas County	2,202
Elko, City of	22,460
Elko County	-
Fallon, City of	200
Lander County Airport Authority	379
Lincoln County	-
Lyon County	26
Mesquite, City of	480
Mineral County	18
Tonopah, Town of	311
Washoe County	2,167
Washoe County Airport Authority	680,211
White Pine County	341
Winnemucca, City of	741
Yerington, City of	94
Total	\$ 10,817,006

CIGARETTE AND OTHER TOBACCO PRODUCTS TAX REVENUE



FISCAL YEAR	TAX	OTHER TOBACCO PRODUCTS	LICENSES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 46,341,846	\$ 2,357,121	\$ 7,650	\$ 48,706,617	0.49%
1993-94	46,481,881	2,527,087	9,188	49,018,156	0.64%
1994-95	48,465,518	2,803,284	8,933	51,277,735	4.61%
1995-96	51,180,071	3,444,297	8,850	54,633,218	6.54%
1996-97	53,706,031	4,389,398	9,825	58,105,254	6.36%
1997-98	61,147,728	5,394,184	9,899	66,551,811	14.54%



FISCAL YEAR	REVENUE STAMPS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	REVENUE STAMPS	% CHANGE FROM PRIOR YEAR
1992-93	136,283,935	-0.24%	1995-96	150,376,325	5.45%
1993-94	136,779,565	0.36%	1996-97	157,917,130	5.01%
1994-95	142,603,920	4.26%	1997-98	178,767,115	13.20%

NOTE: Revenue stamps represent number of paid stamps, issued by the Department. The tax represents stamps paid for, penalty and interest, and use tax paid by manufacturers on gift or sample cigarettes.

Cigarette and Other Tobacco Products Tax Revenue (continued)

LEGAL CITATION	Chapter 370 Nevada Revised Statutes.
RATE	Cigarettes - 17.5 mills per cigarette. Other Tobacco Products - 30 percent of manufacturers wholesale price.
CURRENT DISTRIBUTION OF REVENUE	<p>5 mills per cigarette for distribution to local governments (less administrative fee determined by legislative appropriation); if no cities within county, 100 percent to county; if one city within county, prorated between county and city on basis of population; if two or more cities within county, prorated between cities only on basis of population.</p> <p>12.5 mills per cigarette to the State General Fund. Other Tobacco Products revenue to the State General Fund.</p>

HISTORY

ORIGINALLY ENACTED	1947 session of State Legislature.
RATE	1947 - 1949, 2 cents; 1949 - 1961, 3 cents; 1961 - 1969, 7 cents; 1969 to June 30, 1983, 10 cents; July 1, 1983 to June 30, 1985, 15 cents per package; July 1, 1985 to June 30, 1987, 7.5 mills per cigarette; July 1, 1987 to June 30, 1989, 10 mills per cigarette; July 1, 1989, 17.5 mills per cigarette.
AMENDMENTS	<p>1947 Wholesalers' discount 10 percent for stamping; 5 percent for administration; remainder to State General Fund.</p> <p>1949 Wholesalers' discount reduced to 7 percent; revenue distribution, 87.5 percent to State General Fund: 12.5 percent to counties.</p> <p>1953 Effective date of use tax on cigarettes.</p> <p>1955 Wholesalers' discount for stamping reduced to 5 percent.</p> <p>1960 Refunds allowed for tax paid on stale cigarettes.</p> <p>1961 Wholesalers' stamping discount, 4 percent; revenue distribution, 66 percent to State General Fund; 28.5 percent to cities and counties based on population; 5.5 percent to counties based on sales.</p> <p>1965 Revenue distribution changed - 30 percent to State General Fund; 64.5 percent to cities and counties based on population; 5.5 percent to counties based on county sales.</p> <p>1967 Revenue distribution changed - 100 percent local.</p> <p>No cities - 100 percent to county.</p> <p>One city - based on population - county and city</p> <p>Two or more cities - to cities based on population.</p>

Cigarette and Other Tobacco Products Tax Revenue (continued)

AMENDMENTS (continued)

- 1969 Administrative costs reimbursed in amount determined by legislative appropriation each biennium.
- 1980 June 10, 1980 - Supreme Court decision of Washington vs. Coleville Indian Reservation determined that State cigarette tax could not be applied to on-reservation transactions. Effective July 16, 1980 cigarettes sold to and by eligible Indian smoke shops required tribal cigarette stamps or metered impressions on packages sold. In 1980 the Department of Taxation furnished 13,091,470 tribal stamps. In more recent years the Department has furnished the following number of tribal stamps:
- | | | | |
|------------|------------|------------|------------|
| FY 1992-93 | 39,420,000 | FY 1995-96 | 42,660,000 |
| FY 1993-94 | 42,310,000 | FY 1996-97 | 39,735,000 |
| FY 1994-95 | 43,125,000 | FY 1997-98 | 38,415,000 |
- 1983 The 1983 session of the State Legislature enacted an additional 5 cent per pack tax for distribution to the State General Fund. In addition, all products made from tobacco, other than cigarettes, are taxed at 30 percent of the manufacturers wholesale price for distribution to the State General Fund.
- 1985 The 1985 session of the State Legislature enacted a tax base change; to 7.5 mills per cigarette but not less than 15 cents per package.
- 1987 The 1987 session of the State Legislature enacted a tax rate change; to 10 mills per cigarette but not less than 20 cents per package.
- 1989 The 1989 session of the State Legislature enacted a tax rate change; to 17.5 mills per cigarette.
- 1991 Wholesalers' discount for stamping reduced from 4 percent to 3 percent.
- 1997 Monthly reports required from wholesale and retail dealers of other tobacco products.

Other tobacco products displayed or exhibited at trade show exempt from excise tax.

The 1997 session of the State Legislature approved SB254 effective July 1, 1998 beginning FY 98-99, which directed the Department to implement the Consolidated Tax Distribution program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution.

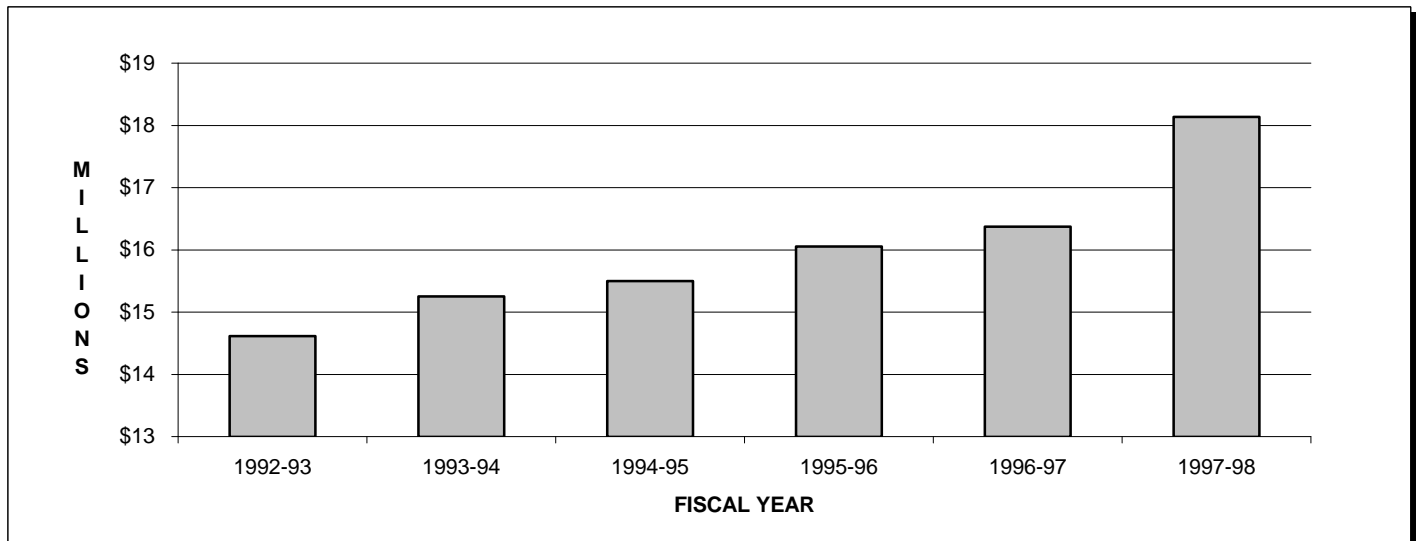
Cigarette and Other Tobacco Products Tax Revenue (continued)

CIGARETTE TAX DISTRIBUTION
FISCAL YEAR 1997-98

CARSON CITY	\$	490,518	LANDER COUNTY	\$	67,532
CHURCHILL COUNTY	\$	149,609	LINCOLN COUNTY	\$	29,269
Fallon		77,952	Caliente		11,026
TOTAL	\$	227,561	TOTAL	\$	40,295
CLARK COUNTY			LYON COUNTY	\$	259,192
Boulder City	\$	253,565	Yerington		28,250
Henderson		2,332,072	TOTAL	\$	287,443
Las Vegas		7,050,999	MINERAL COUNTY	\$	68,110
Mesquite		135,589	NYE COUNTY	\$	251,978
North Las Vegas		1,493,945	Gabbs		3,827
TOTAL	\$	11,266,170	TOTAL	\$	255,805
DOUGLAS COUNTY	\$	377,690	PERSHING COUNTY	\$	35,050
ELKO COUNTY			Lovelock		28,010
Carlin	\$	48,010	TOTAL	\$	63,060
Elko		332,499	STOREY COUNTY	\$	33,482
Wells		24,619	WASHOE COUNTY		
West Wendover		53,943	Reno	\$	2,208,990
TOTAL	\$	459,070	Sparks		859,058
ESMERALDA COUNTY	\$	14,844	TOTAL	\$	3,068,048
EUREKA COUNTY	\$	16,495	WHITE PINE COUNTY	\$	53,521
HUMBOLDT COUNTY	\$	86,864	Ely		50,754
Winnemucca		79,207	TOTAL	\$	104,275
TOTAL	\$	166,071			
TOTAL COUNTY/CITY DISTRIBUTION				\$	17,006,469
Administrative Fee					344,714
Refunds					453,391
State Share - General Fund					43,353,054
Other Tobacco Products					5,394,184
(General Fund)					
TOTAL				<u>\$</u>	<u>66,551,811</u>

Note: Fiscal Year 1998 represents 13 months of revenue due to SB 254 (1997) and a reporting change required by GASB 22.

LIQUOR TAX REVENUE



FISCAL YEAR	TAX	LICENSES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 14,596,444	\$ 20,413	\$ 14,616,857	-0.58%
1993-94	15,232,505	21,250	15,253,755	4.36%
1994-95	15,479,034	20,356	15,499,390	1.61%
1995-96	16,002,113	51,600	16,053,713	3.58%
1996-97	16,317,930	56,377	16,374,306	2.00%
1997-98	18,078,032	60,310	18,138,342	10.77%

LEGAL CITATION

Chapters 369 and 597 Nevada Revised Statutes.

RATES

Over 22 percent by volume	\$ 2.05 per gallon
Over 14 percent to 22 percent by volume	\$.75 per gallon
.5 to 14 percent by volume	\$.40 per gallon
Beer	\$.09 per gallon

LICENSE FEES

Importer wine, beer, and liquor	\$500
Importer beer	150
Wholesaler wine, beer and liquor	250
Wholesaler beer	75
Brew Pub	75
Brewer	75
Winemaker	75
Certificate of Compliance	50

CURRENT DISTRIBUTION OF REVENUE

50 cents per gallon of collections on over 22 percent alcohol allocated accordingly; if no cities within county, 100 percent to county; if one city within county, prorated between county and city on basis of population; if two or more cities within county, prorated between cities only on basis of population ratio. Also, effective July 1, 1981, transfer the portion of tax on liquor containing over 22 percent alcohol which exceeds \$1.90 per wine gallon to the Department of Human Resources Gift Fund for the Account of Alcohol and Drug Abuse. All remaining revenues to the State General Fund.

Liquor Tax Revenue (continued)

HISTORY

ORIGINALLY ENACTED

1935 as a Stamp Tax.

RATES

1935	Case beer, 24 bottles, 6 cents per case; 36 bottles, 9 cents per case; keg beer, 2 cents per gallon. Wines up to 14 percent, 2 1/2 cents per quart; 14 percent to 22 percent, 5 cents per quart. All alcoholic beverages over 22 percent, up to 4 ounces, 1 cent; up to 8 ounces, 2 cents; up to 16 ounces, 5 cents; up to 32 ounces, 10 cents.
1945	Beer, 3 cents per gallon; liquor, 8 percent to 14 percent, 15 cents per gallon; over 14 percent to 22 percent, 25 cents per gallon; over 22 percent, 60 cents per gallon.
1947	Beer, 3 cents per gallon; liquor, up to 14 percent, 15 cents per gallon; over 14 percent to 22 percent, 30 cents per gallon; over 22 percent, 80 cents per gallon.
1961	Beer, 6 cents per gallon; liquor, up to 14 percent, 30 cents per gallon; over 14 percent to 22 percent, 50 cents per gallon; over 22 percent, \$1.40 per gallon.
1969	Over 22 percent alcohol increased to \$1.90 per gallon.
1981	Over 22 percent alcohol increased to \$2.05 per gallon.
1983	Beer, 9 cents per gallon; liquor, up to 14 percent, 40 cents per gallon; over 14 percent to 22 percent, 75 cents per gallon; over 22 percent, \$2.05 per gallon.

DISTRIBUTION

1935	3 percent for administration, \$100,000 to School Fund; \$24,000 to University Contingent Fund; balance to State Emergency Employment Bond Interest and Redemption Fund.
1937	5 percent maximum for administration; balance as follows: 50 percent to School Fund; 15 percent to University Contingent Fund; 35 percent to State Emergency Employment Bond Interest and Redemption Fund.
1939	5 percent maximum for administration; balance as follows: 50 percent to School Fund; 40 percent to University Contingent Fund; 10 percent to Consolidated Bond Interest and Redemption Fund.
1943	5 percent maximum for administration; balance to General Fund.
1949	All revenue to General Fund, administration costs appropriated.
1969	All revenues to General Fund except 5/19 of that collected on liquor over 22 percent which is allocated accordingly: No cities - 100 percent to county. One city - based on population ratio of county and city. Two or more cities - to cities based on population.

Liquor Tax Revenue (continued)

DISTRIBUTION (continued)	1981	Additional 15 cent tax on over 22 percent alcohol allocated to the Account for Alcohol and Drug Abuse in the Department of Human Resources Gift Fund.
	1983	Although rates increased, the distribution of revenue remained the same.
AMENDMENTS	1945	Changed from Stamp Tax to Excise Tax.
	1955	Allowed 2 percent tax discount to importer.
	1961	Allowed 3 percent tax discount to importer.
	1969	Raised rate for over 22 percent alcohol content from \$1.40 to \$1.90 and allocated 50 cents of that rate to counties and cities.
	1981	Raised rate for over 22 percent alcohol content from \$1.90 to \$2.05 allocating 50 cents of that rate to counties and cities and 15 cents to the Account for Alcohol and Drug Abuse in the Department of Human Resources Gift Fund.
	1983	Raised rates for beer to 9 cents per gallon; liquor up to 14 percent, 40 cents per gallon; over 14 percent to 22 percent, 75 cents per gallon. Over 22 percent remained at \$2.05 per gallon.
	1995	An applicant for a certificate of compliance must pay a \$50 fee. This fee is renewable on or before July 1st of each year.
	1997	The 1997 session of the State Legislature approved SB254 effective July 1, 1998 beginning FY 98-99, which directed the Department to implement the Consolidated Tax Distribution program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution.

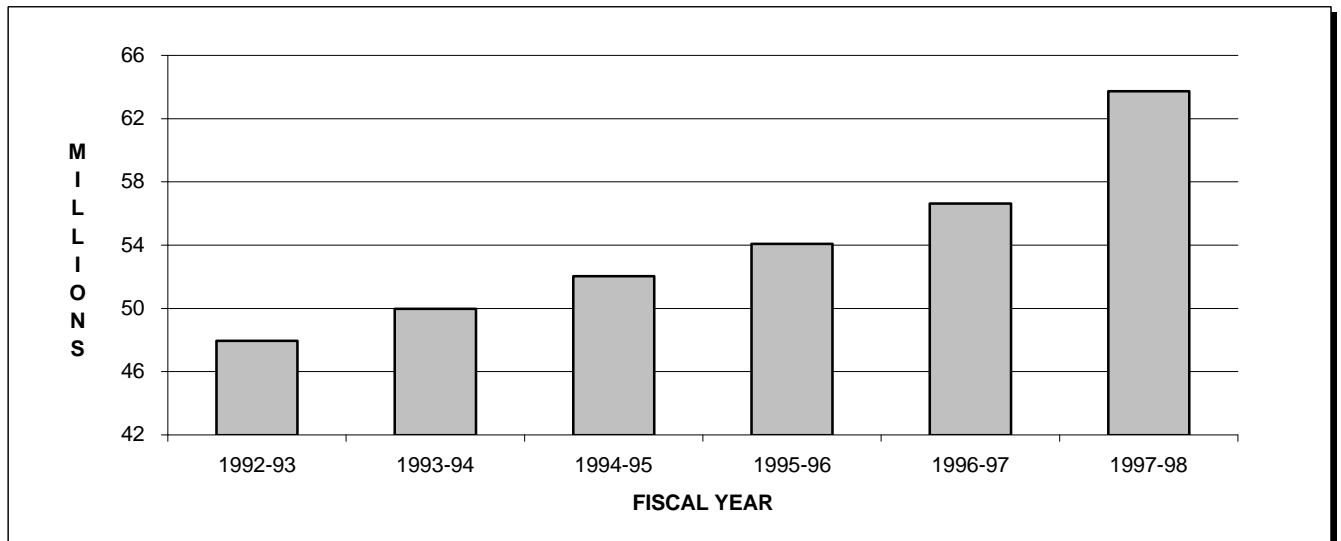
DISTRIBUTION OF LIQUOR TAX REVENUE
FISCAL YEAR 1997-98

CARSON CITY	\$	67,279	LANDER COUNTY	\$	9,261
CHURCHILL COUNTY	\$	20,514	LINCOLN COUNTY	\$	4,014
Fallon		10,688	Caliente		1,514
TOTAL	\$	31,202	TOTAL	\$	5,527
CLARK COUNTY			LYON COUNTY	\$	35,533
Boulder City	\$	34,799	Yerington		3,875
Henderson		319,539	TOTAL	\$	39,408
Las Vegas		966,893	MINERAL COUNTY	\$	9,345
Mesquite		18,555	NYE COUNTY	\$	34,534
North Las Vegas		204,760	Gabbs		525
TOTAL	\$	1,544,546	TOTAL	\$	35,059
DOUGLAS COUNTY	\$	51,787	PERSHING COUNTY	\$	4,805
ELKO COUNTY			Lovelock		3,842
Carlin	\$	6,590	TOTAL	\$	8,647
Elko		45,601	STOREY COUNTY	\$	4,591
Wells		3,373	WASHOE COUNTY		
West Wendover		7,390	Reno	\$	303,025
TOTAL	\$	62,954	Sparks		117,917
ESMERALDA COUNTY	\$	2,037	TOTAL	\$	420,942
EUREKA COUNTY	\$	2,263	WHITE PINE COUNTY	\$	7,342
HUMBOLDT COUNTY	\$	11,905	Ely		6,962
Winnemucca		10,864	TOTAL	\$	14,304
TOTAL	\$	22,769			
TOTAL COUNTY/CITY DISTRIBUTION				\$	2,331,921
Alcohol and Drug Abuse Account					699,878
State General Fund					15,106,543
TOTAL				<u>\$</u>	<u>18,138,342</u>

Note: Fiscal Year 1998 represents 13 months of revenue due to SB 254 (1997) and a reporting change required by GASB 22.

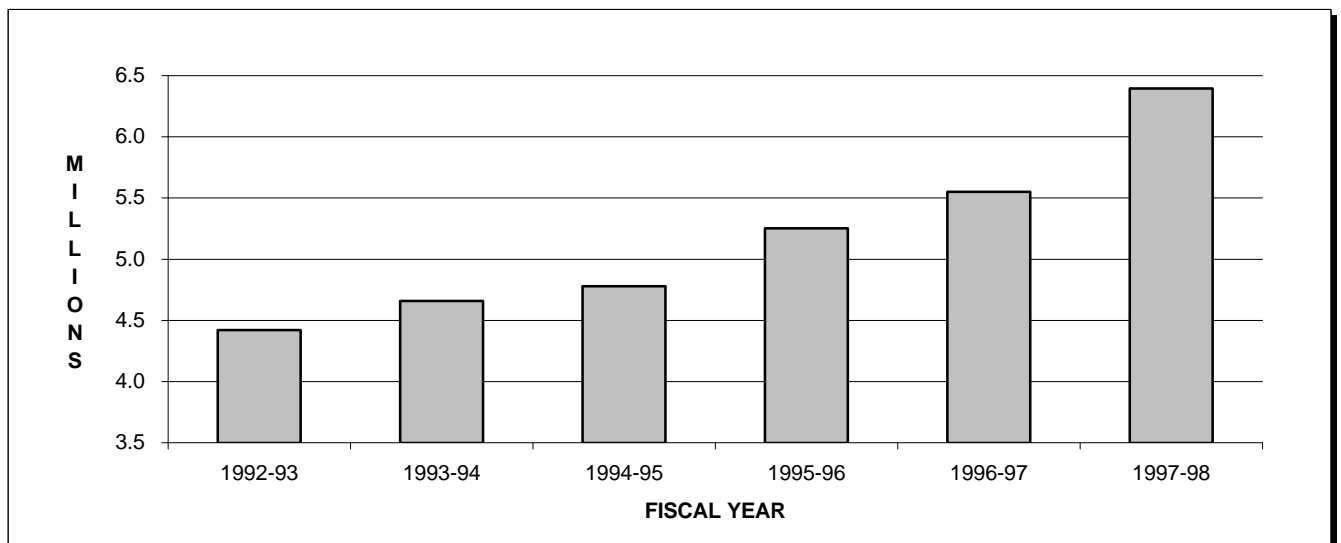
ALCOHOL BEVERAGE GROWTH

BEER - GALLONS



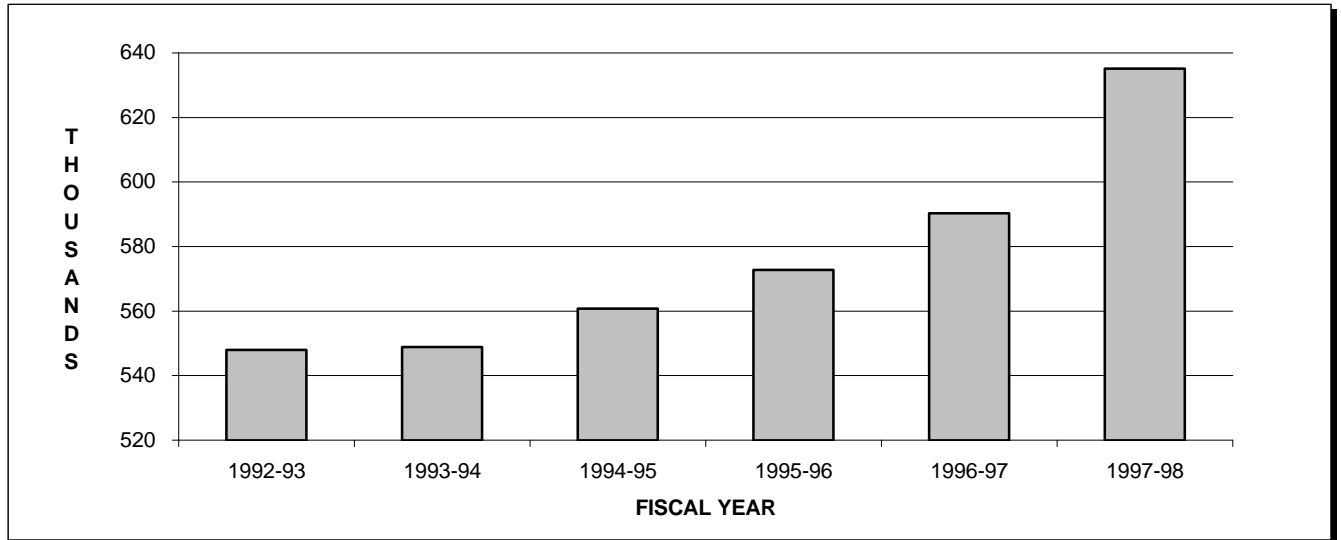
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1992-93	47,944,917	2.26%	1995-96	54,087,269	3.92%
1993-94	49,963,223	4.21%	1996-97	56,638,406	4.72%
1994-95	52,045,858	4.17%	1997-98	63,724,735	12.51%

ALCOHOLIC BEVERAGES .50% TO 14% BY VOLUME - GALLONS



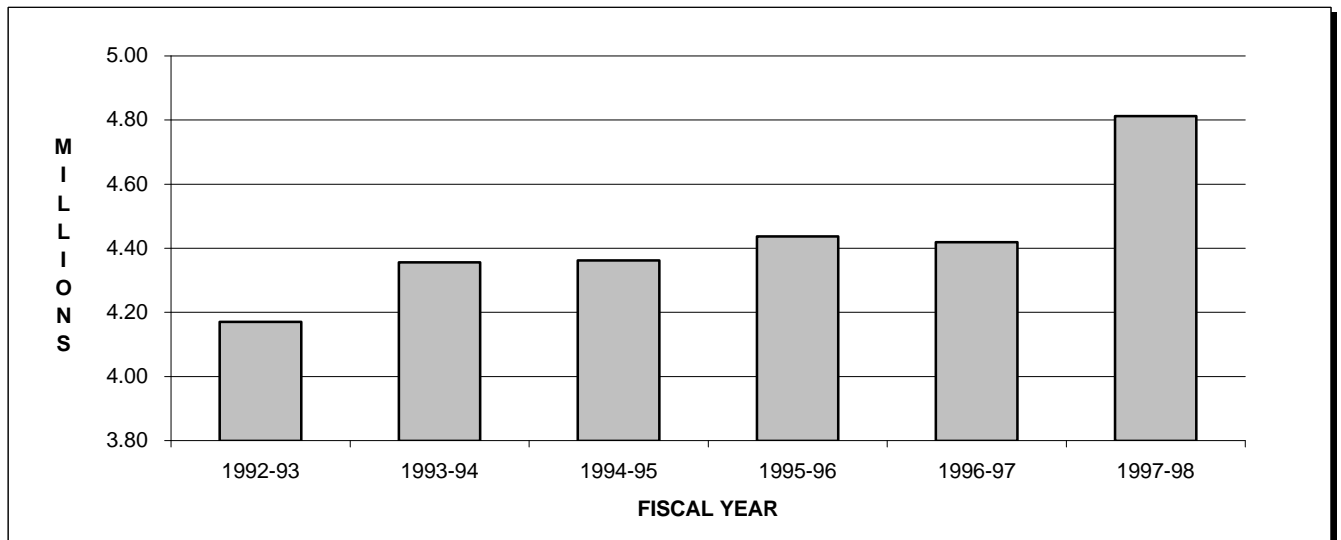
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1992-93	4,420,891	-4.46%	1995-96	5,253,117	9.94%
1993-94	4,659,422	5.40%	1996-97	5,550,172	5.65%
1994-95	4,778,285	2.55%	1997-98	6,396,482	15.25%

ALCOHOLIC BEVERAGES OVER 14% - 22% BY VOLUME - GALLONS



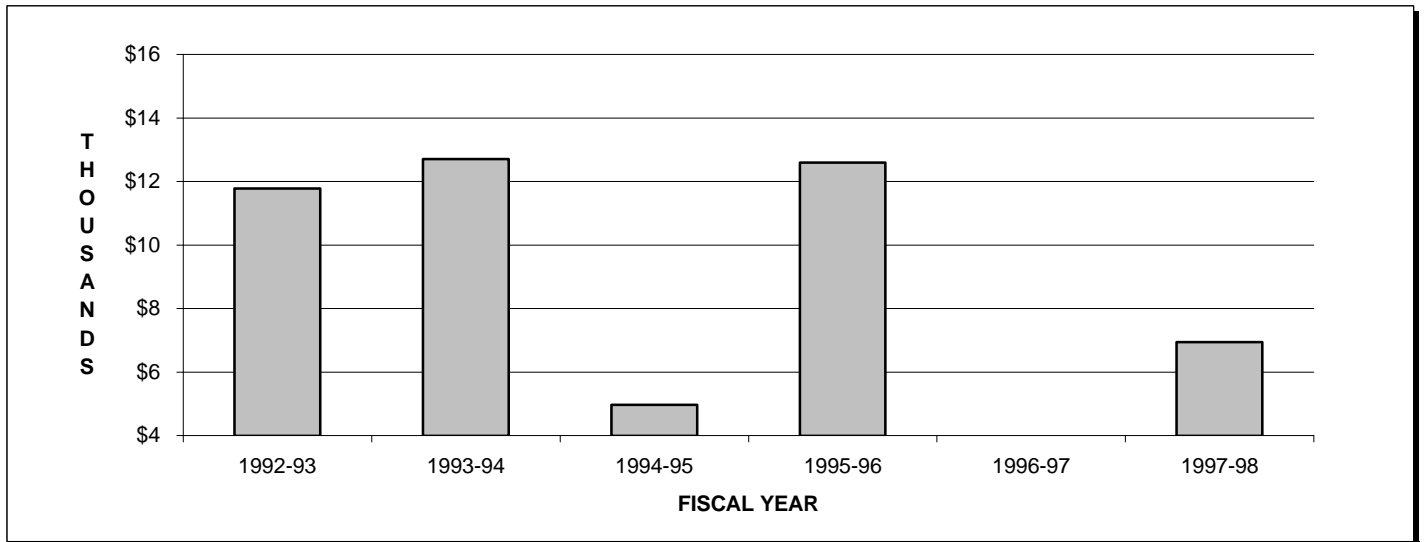
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1992-93	547,964	0.94%	1995-96	572,718	2.13%
1993-94	548,853	0.16%	1996-97	590,339	3.08%
1994-95	560,752	2.17%	1997-98	635,163	7.59%

ALCOHOLIC BEVERAGES OVER 22% BY VOLUME - GALLONS



FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1992-93	4,170,492	-1.23%	1995-96	4,436,645	1.70%
1993-94	4,355,611	4.44%	1996-97	4,419,120	-0.40%
1994-95	4,362,383	0.16%	1997-98	4,812,133	8.89%

SPECIAL DRUG MANUFACTURERS TAX



FISCAL YEAR	% CHANGE		FISCAL YEAR	% CHANGE FROM	
	TOTAL	FROM PRIOR		TOTAL	PRIOR YEAR
	COLLECTIONS	YEAR		COLLECTIONS	
1992-93	\$ 11,776	-19.17%	1995-96	\$ 12,590	153.68%
1993-94	12,709	7.92%	1996-97	-	-100.00%
1994-95	4,963	-60.95%	1997-98	6,940	100.00%

LEGAL CITATION

Chapter 585.497 Nevada Revised Statutes.

HISTORY

ORIGINALLY ENACTED

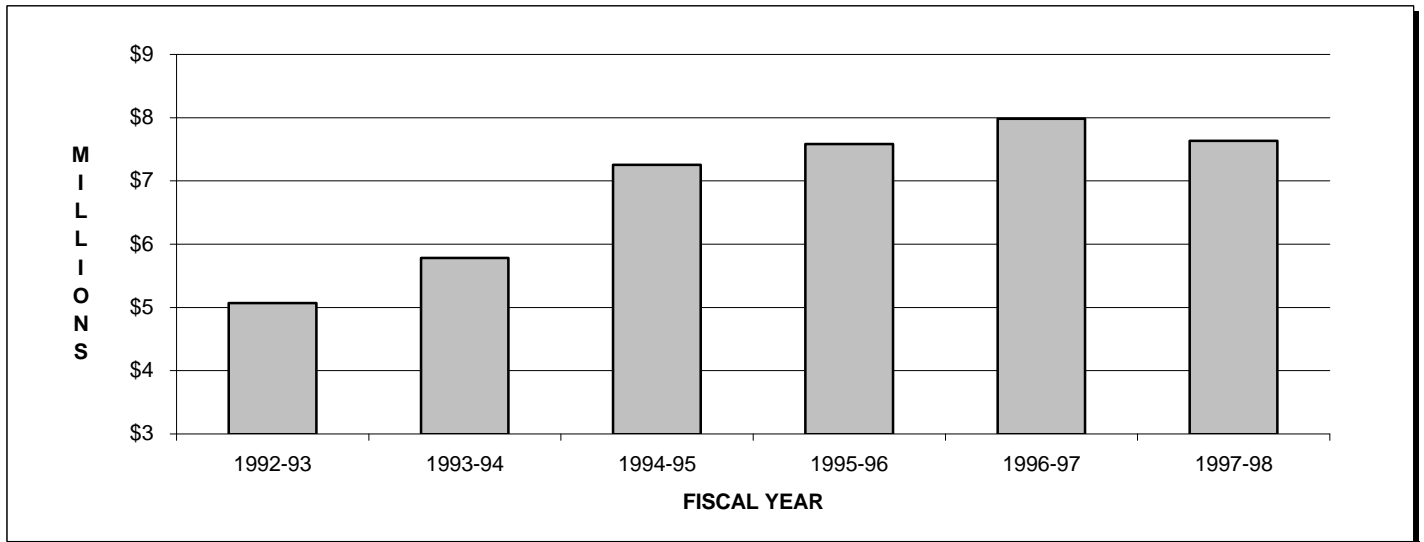
1979 session of State Legislature, effective January 1, 1979.

RATE

10 percent of the gross receipts of a manufacturer for the sale of each substance licensed for manufacture. The State Board of Health shall license amygdalin (Laetrile) and procaine hydrochloride with preservatives and stabilizers (Gerovital H3) for manufacture.

CURRENT DISTRIBUTION OF REVENUE State General Fund.

LODGING TAX



FISCAL YEAR	% CHANGE		FISCAL YEAR	% CHANGE FROM	
	TOTAL	FROM PRIOR		TOTAL	PRIOR YEAR
	COLLECTIONS	YEAR		COLLECTIONS	
1992-93	\$ 5,067,475	6.59%	1995-96	\$ 7,584,960	4.56%
1993-94	5,780,241	14.07%	1996-97	7,982,424	5.24%
1994-95	7,254,492	25.51%	1997-98	7,633,580	-4.37%

LEGAL CITATION

Chapter 244.3354 Nevada Revised Statutes.

HISTORY

ORIGINALLY ENACTED

1983 session of State Legislature, effective May 9, 1983.

RATE

Three-eighths of the first 1 percent of the gross receipts from the rental of transient lodging paid to the Department of Taxation by the county fair and recreation boards or by the board of county commissioners in each county imposing a room tax.

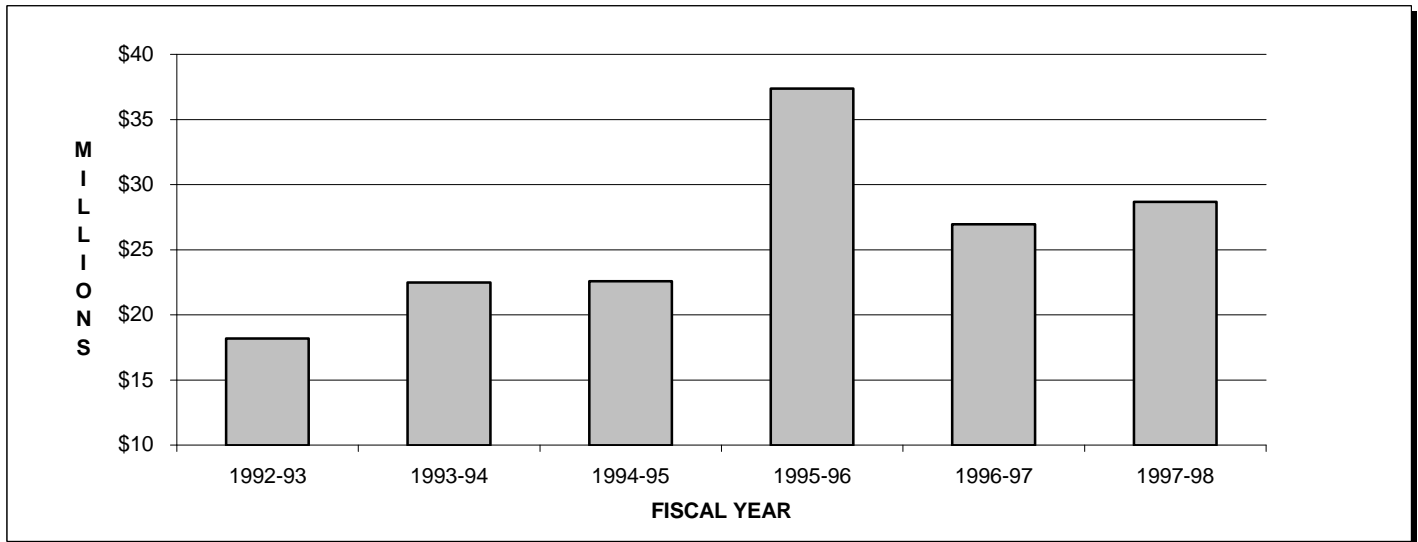
CURRENT DISTRIBUTION OF REVENUE

Proceeds of the tax are deposited by the Department with the State Treasurer for credit to the fund for the promotion of tourism.

NOTE:

Tax on revenues from rental of transient lodging is imposed at the rate of at least 1 percent of the gross receipts. The State receives 3/8 of the first 1 percent for the promotion of tourism and the county retains 5/8 of the first 1 percent for local promotion of tourism.

ESTATE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 18,179,906	101.75%	1995-96	\$ 37,364,066	65.45%
1993-94	22,479,208	23.65%	1996-97	26,942,144	-27.89%
1994-95	22,583,005	0.46%	1997-98	28,680,087	6.45%

LEGAL CITATION

Chapter 375A Nevada Revised Statutes.

HISTORY

ORIGINALLY ENACTED

1987 session of State Legislature, effective March 13, 1987.

IMPOSITION

A tax imposed on the transfer of the taxable estate of a decedent who is a resident of Nevada in the amount of the maximum credit allowable against the federal estate tax for the payment of State death taxes.

CURRENT DISTRIBUTION OF REVENUE

The money in the estate tax account may only be disbursed as authorized by the Legislature. The legislatively approved distribution of estate tax receipts is as follows:

1. Transfer of an amount to the Department to reimburse the cost to administer the tax.
2. Five percent of the tax receipts held for reserve, to refund any overpayments of the tax.
3. Fifty percent of the remaining proceeds of the tax to the University System Endowment Fund.

Estate Tax (continued)

DISTRIBUTION
(continued)

4. Fifty percent to the Department of Education:
 - A. The first \$5 million to the Fund for School Improvements to be used for school improvements and University of Nevada scholarships.
 - B. Amounts thereafter to the Trust Fund for the Education of Pupils.

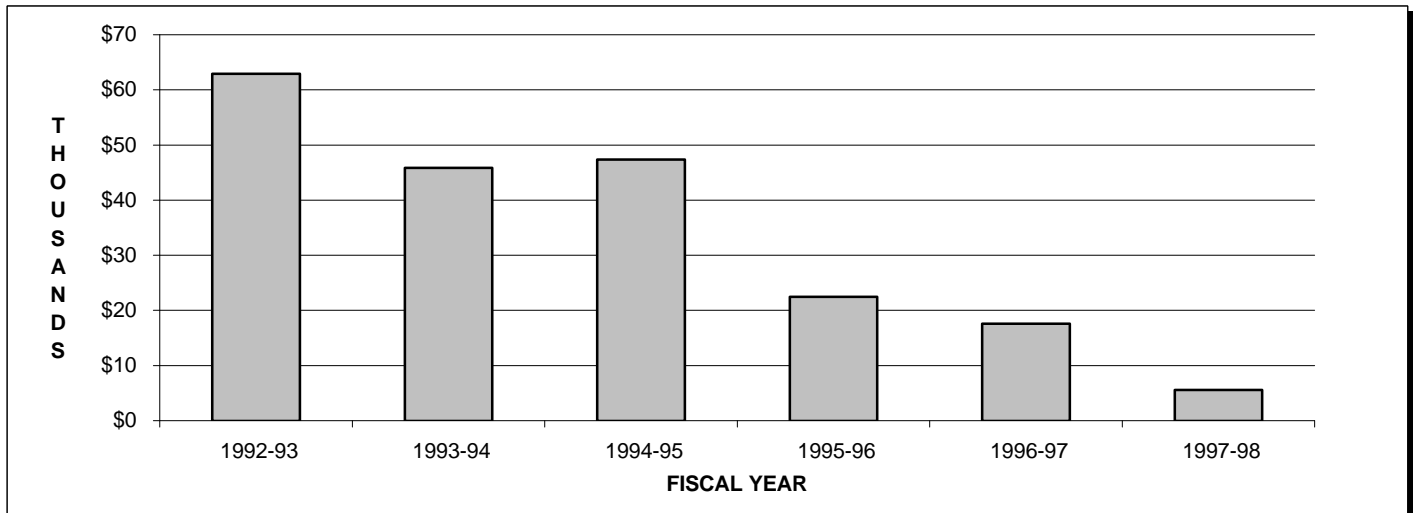
DISTRIBUTION OF ESTATE TAX REVENUE
FISCAL YEAR 1997-98

Department of Taxation administrative costs	\$ 120,642
Reserve for refunds	1,414,609
Department of Education: Trust Fund for the Education of Pupils	13,572,418
University of Nevada System Endowment Fund	13,572,418
TOTAL	<u>\$ 28,680,087</u>

ESTATE TAX RESERVE FOR REFUNDS

Beginning balance brought forward July 1, 1997	\$ 3,648,171
Estate tax receipts - Reserve for refunds Fiscal Year 1998	1,414,609
Balance available	<u>\$ 5,062,780</u>
Less: Refunds issued Fiscal Year 1998	(1,260,592)
Ending Balance at June 30, 1998	<u>\$ 3,802,188</u>

TAX ON CONTROLLED SUBSTANCES



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	\$ 62,944	-40.58%	1995-96	\$ 22,445	-52.58%
1993-94	45,836	-27.18%	1996-97	17,601	-21.58%
1994-95	47,337	3.27%	1997-98	5,550	-68.47%

LEGAL CITATION

Chapter 372A Nevada Revised Statutes.

RATE

Dealer of illegal controlled substances registering with the Department is subject to an annual fee of \$250. Tax on each gram of marijuana or portion thereof, \$100; each gram of any other controlled substance, \$1,000; each 50 dosage units of controlled substance not sold by weight, \$2,000. Civil penalty imposed at 100 percent of the tax in addition to the tax if in violation of NRS 372A.070, subsection 1.

CURRENT DISTRIBUTION OF REVENUE

Transfer of an amount to the Department to reimburse the cost to administer the tax. All remaining taxes are transferred to the Governor's Grant Program for grants to county and city law enforcement agencies for the enforcement of NRS 453. Any civil penalty collected by a district attorney is returned to the county for purposes of law enforcement and conducting criminal prosecutions.

Tax on Controlled Substances (continued)

HISTORY

ORIGINALLY ENACTED

1987 session of State Legislature, effective June 22, 1987.

DISTRIBUTION

From June 1987 through September 1989 the tax distribution was as follows: Transfer of an amount to the Department to reimburse the cost to administer the tax. Fifty percent of the remaining proceeds of the tax for the enforcement of NRS 453. Fifty percent as follows: One half of civil penalties collected by a district attorney is returned to the county for purposes of law enforcement and conducting criminal prosecutions; and one half transferred to the State general fund for the enforcement of NRS 453.

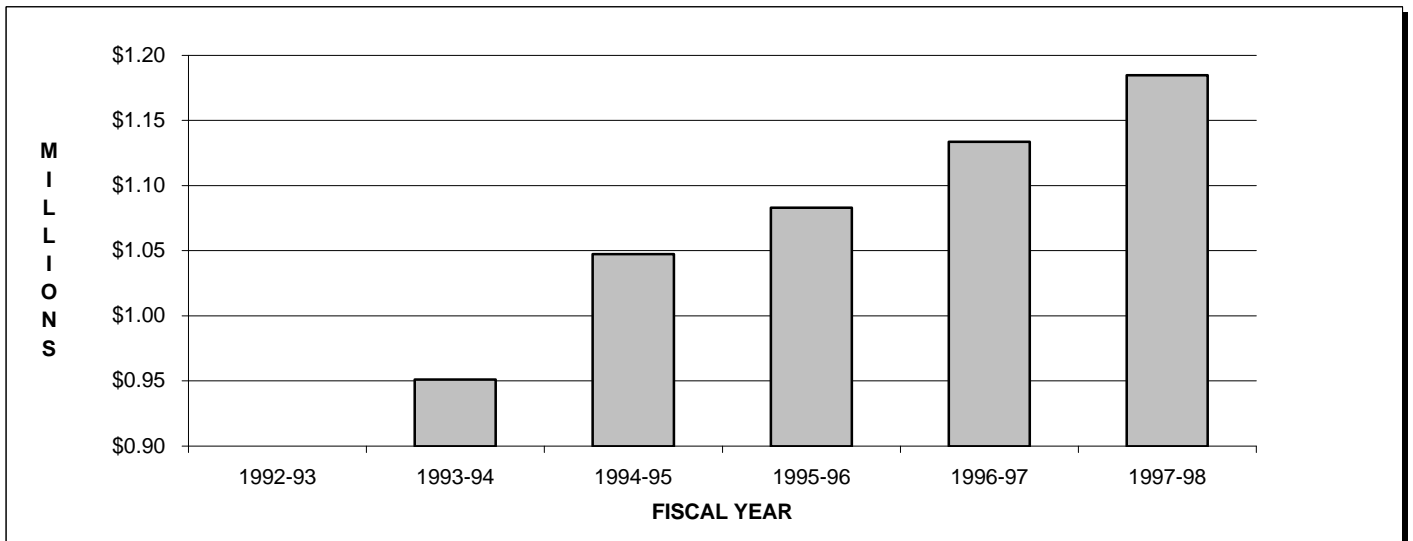
1989

Effective October 1, 1989, the Legislature changed the distribution of the tax allowing local governments to retain all civil penalties imposed and modified the use and accountability of remaining proceeds.

DISTRIBUTION OF TAX ON CONTROLLED SUBSTANCES
FISCAL YEAR 1997-98

Enforcement of NRS 453 - Governor's Grant Program	\$	2,775
Washoe County District Attorney		2,775
TOTAL	\$	<u><u>5,550</u></u>

TIRE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1992-93	-	N/A
1993-94	\$ 951,008	N/A
1994-95	1,047,540	10.15%
1995-96	1,083,167	3.40%
1996-97	1,133,546	4.65%
1997-98	1,184,797	4.52%

LEGAL CITATION

Chapter 444A Nevada Revised Statutes.

IMPOSITION AND RATE

A tax imposed on the retail sale of a new tire at the rate of \$1.00 per tire. The tax is collected from the purchaser by the seller at the time of sale in addition to applicable sales taxes; 95 percent of the tax is remitted to the Department; 5 percent retained by the seller to cover his related administrative costs.

CURRENT DISTRIBUTION OF REVENUE

The revenue collected by the Department is deposited for credit to the solid waste management account in the State General Fund. The State Controller distributes quarterly as follows: .5 percent, Department of Taxation; 44.5 percent State Department of Conservation and Natural Resources; 30 percent Clark County District Board of Health; and 25 percent Washoe County District Board of Health.

HISTORY

ORIGINALLY ENACTED

1991 session of the State Legislature.

AMENDMENT

1993 session of the State Legislature, per SB 97 and AB 386; transferred the function of tax collection to the Department of Taxation from the Department of Conservation and Natural Resources and provided for the change to the current distribution.

SHORT TERM LEASE FEE

FISCAL YEAR	TOTAL COLLECTIONS
1997-98	\$ 7,771,870

LEGAL CITATION

Chapter 482 Nevada Revised Statutes.
Chapter 360 Nevada Revised Statutes.

IMPOSITION AND RATE

A fee imposed on the short-term lease of passenger vehicles. The fee is 6% of lease charges. Fees are due on an annual basis.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

1993 session of the State Legislature, effective July 9, 1993.

1997 session of the State Legislature passed Assembly Bill 388, effective July 1, 1997. AB 388 effectively transferred the responsibility for the collection of the short-term lease fees from the Department of Motor Vehicles and Public Safety to the Department of Taxation.

DIVISION OF ASSESSMENT STANDARDS

The Nevada Tax Commission is responsible for prescribing rules and regulations governing property assessment and for the general administration of property tax. The Division of Assessment Standards is its implementing arm.

Specific duties include:

1. Establishing for assessment purposes the valuation of: (a) agricultural land; (b) mobile homes; (c) mining properties; (d) net proceeds of mines; (e) any property of interstate or intercounty nature, and specifically railroads, telegraph, telephone, electric, water and air transport companies.
2. Determining the average ratio of the assessed value of property to the taxable value of property in each county of the State in alternate years. State law requires that all property be assessed at 35 percent of taxable value. In addition to reporting on the assessment level and uniformity within each county, the Division of Assessment Standards reviews assessment procedures and methods used within counties to ensure that proper methods and procedures are developed and maintained.
3. Verifying the land factors submitted by 16 of the 17 counties to insure compliance with NRS 361.260(5). Clark County does not provide land factors but revalues the entire county each year, thereby alleviating the need for factoring.
4. Assisting county assessors in appraising property as a result of requests from assessors. Additionally, if the Nevada Tax Commission finds property in a county to be assessed at less than 32 percent or more than 36 percent of taxable value, it may call upon the Division of Assessment Standards to implement a reappraisal program.
5. Providing a program of in-service training, for appraisers who appraise for tax purposes, in conjunction with recommendations of the Appraiser Certification Board established in accordance with NRS 361.221.
6. Preparing forms, regulations and guidelines pertaining to the assessment of property for approval and adoption by the Nevada Tax Commission.
7. Reviewing local government budgets and audits, preparing the ad valorem tax rates, advising local governments on budget act compliance and financial management matters.

The Division of Assessment Standards is responsible for coordinating meetings of the State Board of Equalization. Upon request of the State Board of Equalization, further support is provided through the gathering of information or the conducting of appraisals.

CERTIFICATION OF APPRAISERS

The Appraiser Certification Board is an appointed board established to advise the Department on matters pertaining to certification and continuing education of all appraisers certified to appraise for tax purposes.

All persons who are employees of or independent contractors for the State or any of its political subdivisions and who perform the duties of an appraiser for tax purposes must hold a valid appraiser's certificate issued by the Department of Taxation.

The Department issues an appraiser certificate to any person who either has successfully passed the appropriate certification exam or who holds a professional designation approved by the board.

Each person who holds an appraiser certificate must complete 36 contact hours of appropriate training in each succeeding fiscal year following certification. The 36 hour training requirement is waived for persons who either have accumulated 180 contact hours or hold a professional designation. These persons must complete 36 contact hours during each five year period thereafter.

Newly employed appraisers are issued a temporary certificate which expires two years following the employee's date of hire or upon successful completion of the appraiser certification exam whichever occurs first. The temporary certificate is not renewable.

NUMBER OF CERTIFIED APPRAISERS - OCTOBER 1998				
JURISDICTIONS	REAL PROPERTY	PERSONAL PROPERTY	REAL AND PERSONAL PROPERTY	TEMPORARY CERTIFICATIONS
Department of Taxation	6	-	7	1
Carson City	3	1	1	-
Churchill	4	1	-	-
Clark	1	6	54	-
Douglas	1	1	4	1
Elko	5	-	3	-
Esmeralda	1	-	-	1
Eureka	2	1	-	1
Humboldt	3	-	-	-
Lander	1	1	-	2
Lincoln	1	-	-	-
Lyon	7	2	-	1
Mineral	1	-	-	-
Nye	8	-	-	-
Pershing	3	-	-	-
Storey	1	-	-	-
Washoe	25	4	2	-
White Pine	5	-	-	-
Independent Contractors	6	-	1	-
TOTAL	84	17	72	7

STATE BOARD OF EQUALIZATION

The State Board of Equalization hears and determines all appeals from action of county boards of equalization. The State Board also hears and determines direct appeals from valuations of the Nevada Tax Commission. The Division of Assessment Standards is responsible for coordinating meetings of the State Board of Equalization.

Other responsibilities of the State Board of Equalization include the equalizing of property valuations in the State. Additionally, they review the tax rolls of the various counties as equalized by the county boards of equalization and, if necessary, adjust the valuations thereon in order to equalize values with respect to taxable value.

STATE BOARD OF EQUALIZATION 1997-98 SUMMARY OF TRANSACTIONS

COUNTY	APPEALS *			ASSESSED VALUATION ADJUSTMENTS TO TAX ROLL *	
	TOTAL	SUSTAINED	DENIED	INCREASES	DECREASES
Carson City	1	1	-	\$ 300	\$ -
Churchill	-	-	-	-	-
Clark	27	3	24	-	(12,118,609)
Douglas	1	-	1	-	-
Elko	8	8	-	-	(1,910,241)
Esmeralda	-	-	-	-	-
Eureka	-	-	-	-	-
Humboldt	-	-	-	-	-
Lander	-	-	-	-	-
Lincoln	1	1	-	11,868	-
Lyon	1	-	1	-	-
Mineral	1	-	1	-	-
Nye	4	2	2	-	(4,175)
Pershing	1	1	-	-	(2,533,060)
Storey	-	-	-	-	-
Washoe	31	14	17	304,976	(7,654,800)
White Pine	2	2	-	-	(2,855,221)
COUNTY TOTAL	78	32	46	\$ 317,144	\$ (27,076,106)
<u>CENTRALLY ASSESSED</u>					
CENTRALLY ASSESSED TOTAL	11	5	6	1,793,839	(14,535,878)
STATEWIDE TOTAL	<u>89</u>	<u>37</u>	<u>52</u>	<u>\$ 2,110,983</u>	<u>\$ (41,611,984)</u>

* Includes roll changes and exemptions. Appeals which were partially sustained and partially denied appear in the totals as sustained.

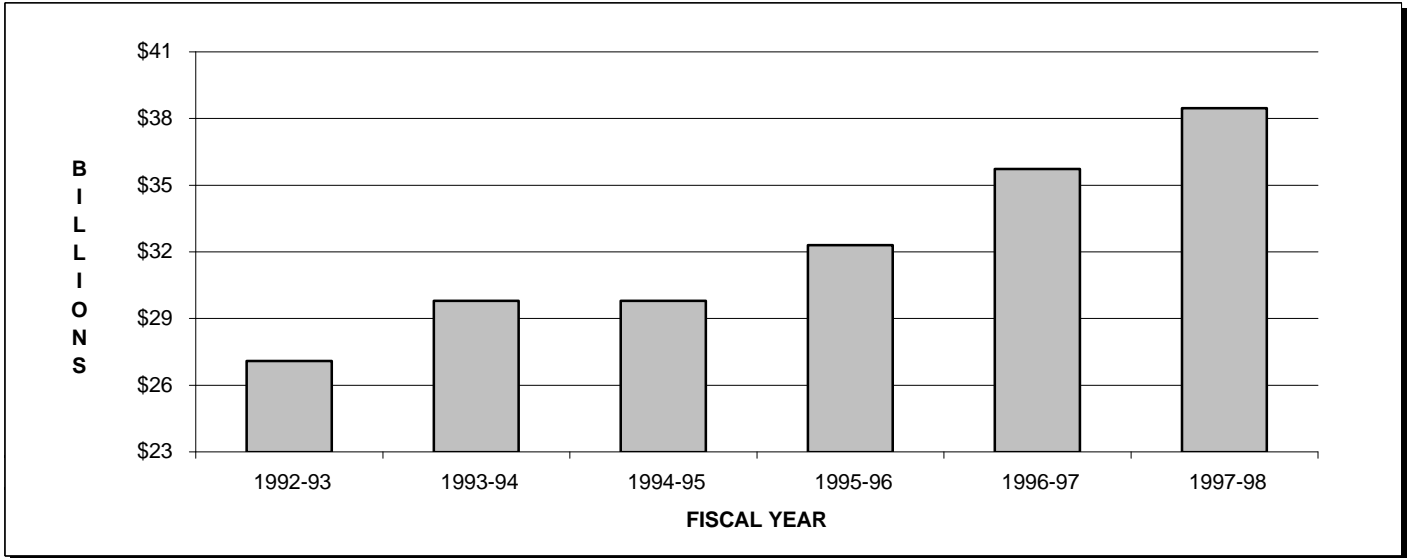
Details of all transactions are available at the Department of Taxation, Executive Office, Carson City, Nevada. Appeals represent the number of protests presented to the Board. An appeal often includes more than one parcel of property.

TOTAL APPEALS STATEWIDE

<u>YEAR</u>	<u>APPEALS</u>	<u>FISCAL YEAR</u>	<u>APPEALS</u>
1992-93	89	1995-96	72
1993-94	110	1996-97	229
1994-95	92	1997-98	89

ASSESSED VALUATIONS

TOTAL NET ASSESSED VALUATION STATEWIDE



FISCAL YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	VALUATION	% CHANGE FROM PRIOR YEAR
1992-93	\$ 25,021,722,542	8.20%	1995-96	\$ 32,296,161,968	8.41%
1993-94	27,091,355,502	8.27%	1996-97	35,723,710,786	10.61%
1994-95	29,791,390,795	9.97%	1997-98	38,466,058,457	7.68%

RATIO STUDY

NRS 361.333, Paragraph 2, states:

The ratio study shall be conducted on nine counties in one year and eight counties in the next year with the same combination of counties being tested in alternate years.

Ratio studies are conducted in accordance with NRS 361.333 to determine the average ratio of assessed valuation to the taxable value of property in each county.

ASSESSED VALUATION BY CLASSES BEFORE EXEMPTIONS

	1996-97 VALUATION	PERCENT OF TOTAL VALUATION	1997-98 VALUATION	PERCENT OF TOTAL VALUATION
* RURAL LANDS	\$ 90,549,367	0.22%	\$ 95,558,548	0.21%
RURAL LANDS - IMPROVEMENTS	80,532,794	0.20%	85,632,571	0.19%
FARM EQUIPMENT & MACHINERY	17,803,663	0.04%	17,639,453	0.04%
URBAN PROPERTY - LAND	12,715,995,372	31.33%	15,026,835,086	33.09%
URBAN PROPERTY - IMPROVEMENTS	20,496,341,076	50.49%	22,546,016,268	49.65%
OTHER PERSONAL PROPERTY	2,368,285,012	5.83%	2,607,650,447	5.74%
PUBLIC UTILITIES	2,390,460,740	5.89%	2,485,490,525	5.47%
AIRPLANES	61,414,180	0.15%	66,988,759	0.15%
BILLBOARDS	9,234,768	0.02%	13,317,424	0.03%
OPEN SPACE	245,862	0.00%	234,263	0.00%
MILL & MINE IMPROVEMENTS	546,689,550	1.35%	643,222,420	1.42%
MINING EQUIPMENT & MACHINERY	871,703,420	2.15%	840,046,550	1.85%
MOBILE HOMES	296,945,437	0.73%	318,791,011	0.70%
NET PROCEEDS OF MINES	627,687,862	1.55%	635,532,749	1.40%
PATENTED MINE CLAIMS	15,809,849	0.04%	20,174,278	0.04%
OIL & GAS LEASES	3,228,595	0.01%	2,444,499	0.01%
TOTAL	\$ 40,592,927,547	100.00%	\$ 45,405,574,851	100.00%

*Based upon agricultural use assessment according to NRS 361A.

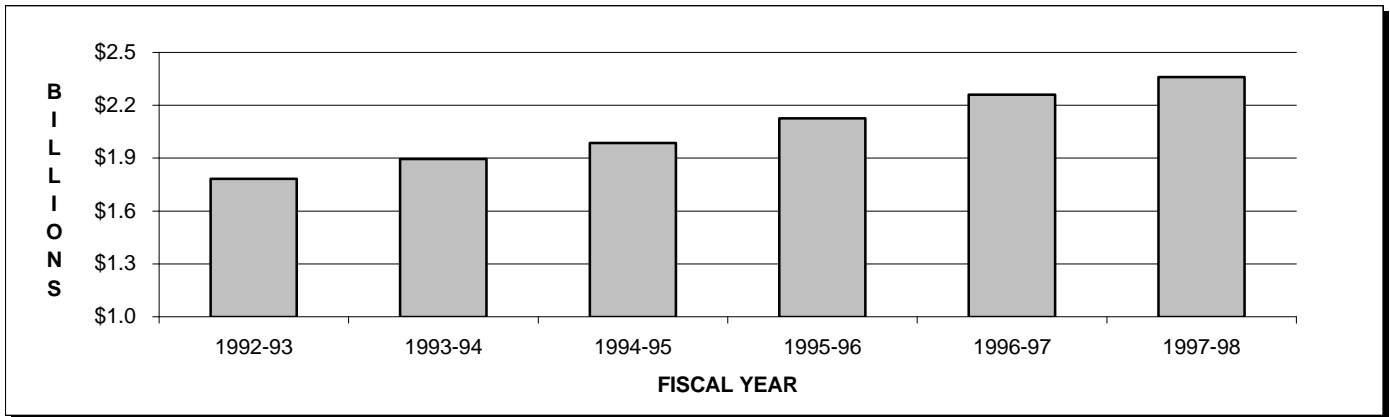
ASSESSED VALUATION BY COUNTIES AFTER EXEMPTIONS

COUNTY	FISCAL YEAR 1996-97	FISCAL YEAR 1997-98	CHANGE	PERCENT CHANGE
CARSON CITY	\$ 811,871,517	\$ 850,119,171	\$ 38,247,654	4.71%
CHURCHILL	380,350,175	417,312,870	36,962,695	9.72%
CLARK	22,138,246,298	24,447,524,817	2,309,278,519	10.43%
DOUGLAS	1,272,085,427	1,320,217,936	48,132,509	3.78%
ELKO	740,887,285	908,673,803	167,786,518	22.65%
ESMERALDA	54,723,901	50,801,620	(3,922,281)	-7.17%
EUREKA	866,713,484	807,260,993	(59,452,491)	-6.86%
HUMBOLDT	526,430,596	585,321,935	58,891,339	11.19%
LANDER	228,402,431	251,563,078	23,160,647	10.14%
LINCOLN	79,529,622	85,342,751	5,813,129	7.31%
LYON	482,609,043	515,566,009	32,956,966	6.83%
MINERAL	175,837,152	123,244,579	(52,592,573)	-29.91%
NYE	577,981,913	613,933,695	35,951,782	6.22%
PERSHING	157,413,585	186,062,206	28,648,621	18.20%
STOREY	147,402,685	197,289,389	49,886,704	33.84%
WASHOE	6,848,782,575	6,860,166,800	11,384,225	0.17%
WHITE PINE	234,443,097	245,656,805	11,213,708	4.78%
TOTAL	\$ 35,723,710,786	\$ 38,466,058,457	\$ 2,742,347,671	7.68%

The above totals do not reflect State Board of Equalization changes for either fiscal year.

**Large decrease in 1997-98 assessed value is due to negotiated settlement between Mineral County and taxpayer.

INTERSTATE AND INTERCOUNTY VALUATIONS (ASSESSED VALUE)



ASSESSMENT			ASSESSMENT		
YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	YEAR	VALUATION	% CHANGE FROM PRIOR YEAR
1992-93	\$ 1,782,128,525	2.57%	1995-96	\$ 2,125,502,999	7.05%
1993-94	1,894,840,456	6.32%	1996-97	2,261,016,310	6.38%
1994-95	1,985,534,997	4.79%	1997-98	2,359,984,904	4.38%

CENTRALLY ASSESSED UNITARY AND CONSTRUCTION WORK IN PROGRESS TAX DISTRIBUTION FISCAL YEAR 1997-98

COUNTY	UTILITIES	PRIVATE CARLINES	CWIP	TOTAL TAX
Carson City	\$ 928,971	\$ -	\$ 108,668	\$ 1,037,638
Churchill	1,030,505	4,744	60,926	1,096,175
Clark	28,460,201	12,878	1,741,291	30,214,369
Douglas	714,659	-	31,842	746,500
Elko	2,986,589	26,263	192,008	3,204,860
Esmeralda	582,863	-	18,826	601,689
Eureka	274,692	3,638	13,934	292,265
Humboldt	2,061,312	13,619	103,077	2,178,008
Lander	1,253,865	5,873	62,111	1,321,849
Lincoln	954,329	10,279	109,312	1,073,920
Lyon	1,835,707	3,400	108,911	1,948,018
Mineral	984,828	-	33,462	1,018,290
Nye	1,861,771	-	123,034	1,984,805
Pershing	1,413,808	10,137	97,269	1,521,214
Storey	1,722,989	706	700,219	2,423,914
Washoe	9,142,638	12,490	714,758	9,869,887
White Pine	491,402	18	21,164	512,584
TOTAL COUNTY DISTRIBUTION	\$ 56,701,128	\$ 104,046	\$ 4,240,811	\$ 61,045,985
State Debt Service Fund	3,205,690	6,468	240,050	3,452,208
State General Fund	948	-	1,732	2,681
TOTAL	\$ 59,907,767	\$ 110,513	\$ 4,482,594	\$ 64,500,874

**FISCAL YEAR 1997-98 ASSESSMENTS -INTERSTATE AND INTERCOUNTY UTILITIES
AND RAILROADS AS CERTIFIED BY THE NEVADA TAX COMMISSION AND ADJUSTED
BY THE STATE BOARD OF EQUALIZATION**

COUNTY	AIRLINES*	ELECTRIC	GAS, WATER AND PIPELINE**	PRIVATE CAR LINE COMPANIES	RAILROADS	COMMUNICA- TIONS***	6 MONTH SECURED CONSTRUCTION WORK IN PROGRESS	12 MONTH SECURED CONSTRUCTION WORK IN PROGRESS	TOTAL INTERSTATE INTERCOUNTY
Carson City	\$ 820,919	\$ 11,496,471	\$ 13,403,858	\$ -	\$ -	\$ 11,132,281	\$ 1,807,815	\$ 4,225,532	\$ 42,886,876
Churchill	5,354,948	23,126,958	9,885,611	188,517	1,492,123	3,058,301	937,294	2,389,770	46,433,522
Clark	89,211,250	702,224,651	117,898,187	509,589	9,535,654	165,640,425	32,937,179	65,878,024	1,183,834,959
Douglas	909,847	18,177,395	2,996,690	-	-	10,998,532	593,268	1,449,755	35,125,487
Elko	7,699,191	53,516,529	5,090,185	1,019,859	15,507,195	36,800,300	1,272,200	7,140,042	128,045,501
Esmeralda	12,883,461	10,499,734	-	-	-	287,752	250,993	705,235	24,627,175
Eureka	2,180,057	9,099,416	778,391	218,824	2,763,835	2,544,274	281,614	877,974	18,744,385
Humboldt	2,040,222	58,845,941	7,942,708	593,455	8,799,444	14,437,864	1,495,823	4,460,669	98,616,126
Lander	5,025,178	25,085,880	1,206,461	168,597	2,268,479	4,308,042	706,858	1,887,517	40,657,012
Lincoln	3,860,873	5,074,637	9,453,630	396,784	7,869,320	7,989,289	542,429	4,511,610	39,698,572
Lyon	5,222,952	39,944,134	8,683,845	118,418	855,927	10,076,591	1,668,827	3,988,149	70,558,843
Mineral	10,029,801	16,879,713	582,389	-	-	751,121	391,127	947,133	29,581,284
Nye	23,493,525	38,127,569	489,857	-	-	7,986,305	1,442,648	4,004,446	75,544,350
Pershing	2,009,120	24,479,397	10,176,232	328,167	4,001,852	7,433,316	1,199,972	3,186,494	52,814,550
Storey	1,428,618	43,415,946	1,535,686	30,321	296,095	691,751	32,614,687	32,503,106	112,516,210
Washoe	17,623,244	91,084,393	114,299,270	433,864	6,544,960	78,565,830	12,219,206	24,520,001	345,290,768
White Pine	800,394	10,590,236	-	-	536,116	2,195,026	270,982	616,530	15,009,284
<hr/>									
	\$ 190,593,600	\$ 1,181,669,000	\$ 304,423,000	\$ 4,006,395	\$ 60,471,000	\$ 364,897,000	\$ 90,632,922	\$ 163,291,987	\$ 2,359,984,904

The values for Fiscal Year 1997-98 secured unitary and secured six-month construction work in progress assessments and for Fiscal Year 1996-97 unsecured private car line assessments were certified by the Nevada Tax Commission in October, 1996. 1997-98 unsecured 12 month construction work in progress and property escaping taxation for Fiscal Year 1997-98 were certified October, 1997 and are included in the figures above. The 1987 Legislature through SB 229 created the central assessment roll with the Department assessing, billing, collecting and distributing all centrally assessed property taxes.

* Totals by county include airline property escaping taxation for Fiscal Year 1997-98 totaling \$477,900 certified in October, 1997 and adjustments by the State Board of Equalization deducting \$4,384,000 for unitary property and adding \$5,223,995 for twelve month CWIP determined March, 1998.

** Total for Washoe County includes water company assessed valuation of \$ 56,707,000.

*** Total for Lincoln County includes an intracounty telephone company assessed valuation of \$2,543,000.

FISCAL YEAR 1996-97 ASSESSMENTS
(For comparison)

COUNTY	AIRLINES*	ELECTRIC	GAS, WATER AND PIPELINE**	PRIVATE CAR LINE COMPANIES	RAILROADS	COMMUNICA- TIONS***	6 MONTH SECURED CONSTRUCTION WORK IN PROGRESS	12 MONTH SECURED CONSTRUCTION WORK IN PROGRESS	TOTAL INTERSTATE INTERCOUNTY
Carson City	\$ 391,809	\$ 10,698,382	\$ 14,965,855	\$ -	\$ -	\$ 11,125,632	\$ 1,726,877	\$ 3,965,341	\$ 42,873,896
Churchill	3,912,124	21,832,362	11,429,041	193,655	1,478,641	3,145,104	1,123,213	2,479,215	45,593,355
Clark	83,995,895	637,166,287	128,937,422	495,230	12,325,647	153,659,848	40,014,672	86,740,142	1,143,335,143
Douglas	1,318,727	17,094,687	1,988,091	-	-	11,736,646	799,075	1,397,325	34,334,551
Elko	6,100,859	53,899,837	6,309,558	1,012,821	18,533,039	37,313,374	1,563,741	2,924,324	127,657,553
Esmeralda	10,795,511	10,140,085	-	-	-	301,790	273,480	588,689	22,099,555
Eureka	1,608,222	8,417,238	991,066	217,872	3,389,533	2,499,041	291,412	654,669	18,069,053
Humboldt	1,465,789	59,057,157	10,048,670	587,079	10,862,144	14,245,744	1,656,746	3,916,732	101,840,061
Lander	4,149,790	22,670,735	1,511,002	167,957	2,718,970	4,376,073	786,015	1,655,635	38,036,177
Lincoln	3,673,311	9,488,118	10,486,887	385,601	10,170,050	5,451,660	668,001	1,550,231	41,873,859
Lyon	5,404,159	37,809,691	10,241,693	121,646	846,726	10,327,697	1,865,060	3,958,190	70,574,862
Mineral	9,871,826	16,238,297	741,511	-	-	714,981	470,602	960,305	28,997,522
Nye	20,170,742	32,654,633	623,698	-	-	7,872,796	1,294,004	2,912,379	65,528,252
Pershing	1,750,507	21,655,102	12,954,553	330,437	4,575,681	7,625,327	1,392,551	3,117,972	53,402,130
Storey	1,539,899	24,640,816	1,504,626	31,152	293,729	698,122	3,415,613	45,549,755	77,673,712
Washoe	16,899,020	87,016,338	102,066,327 *	427,990	7,708,651	78,357,712	9,923,173	33,410,243	335,809,454
White Pine	328,310	9,985,235	-	-	91,189	2,156,453	207,995	547,993	13,317,175
	<u>\$ 173,376,500</u>	<u>\$ 1,080,465,000</u>	<u>\$ 314,800,000</u>	<u>\$ 3,971,440</u>	<u>\$ 72,994,000</u>	<u>\$ 351,608,000</u>	<u>\$ 67,472,230</u>	<u>\$ 196,329,140</u>	<u>\$ 2,261,016,310</u>

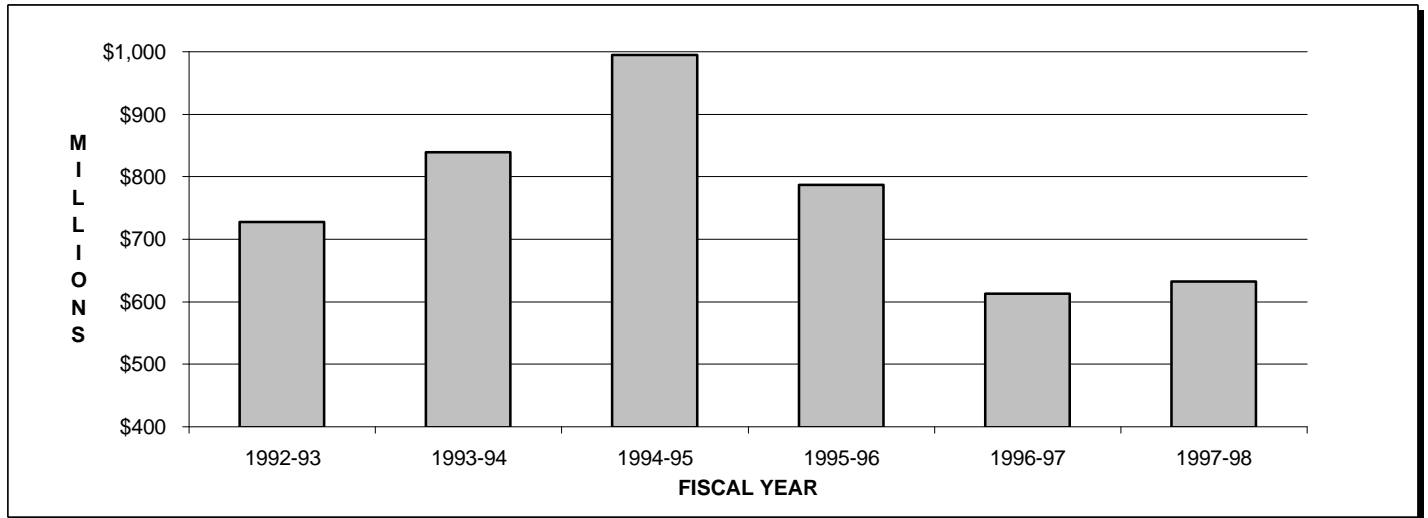
The values for Fiscal Year 1996-97 secured unitary and secured six-month construction work in progress assessments and for Fiscal Year 1995-96 unsecured private car line assessments were certified by the Nevada Tax Commission in October, 1995. 1996-97 unsecured 12 month construction work in progress and property escaping taxation for Fiscal Year 1996-97 were certified October, 1996 and are included in the figures above. The 1987 Legislature through SB 229 created the central assessment roll with the Department assessing, billing, collecting and distributing all centrally assessed property taxes.

* Totals by county include airline property escaping taxation for Fiscal Year 1996-97 totaling \$ 10,211,800 certified in October, 1996 and adjustments by the State Board of Equalization totaling \$2,257,300 determined March, 1996.

** Total for Washoe County includes water company assessed valuation of \$ 55,673,000

*** Total for Lincoln County includes an intracounty telephone company assessed valuation of \$2,315,000.

ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS



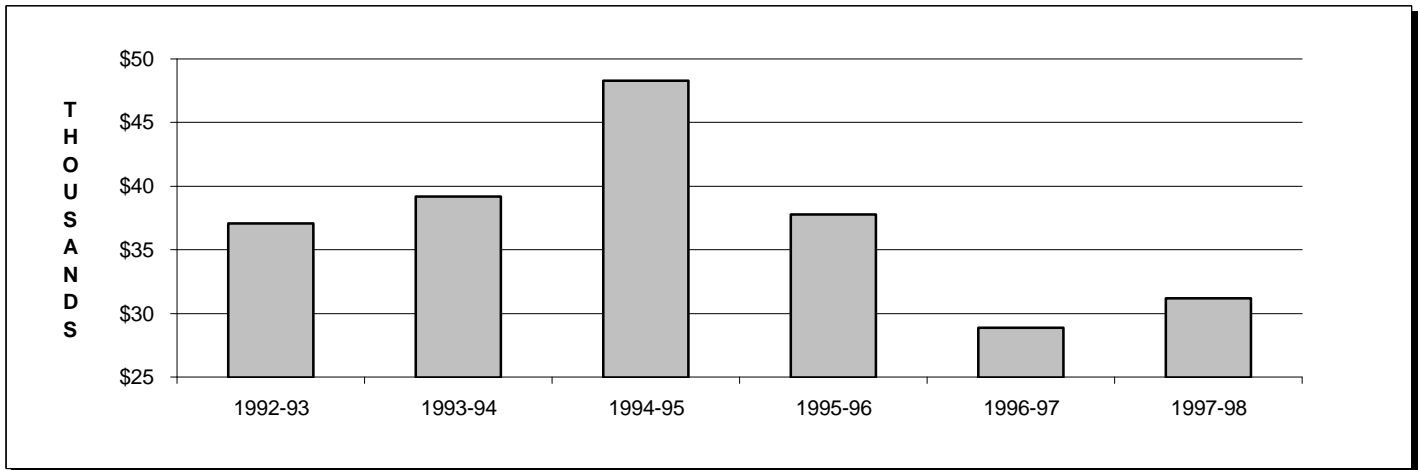
FISCAL YEAR	ACTUAL ASSESSED VALUATION*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ACTUAL ASSESSED VALUATION*	% CHANGE FROM PRIOR YEAR
1992-93	\$ 727,396,245	7.39%	1995-96	\$ 786,843,446	-20.87%
1993-94	839,578,107	15.42%	1996-97	613,166,679	-22.07%
1994-95	994,416,022	18.44%	1997-98	632,502,706	3.15%

* Based on actual calendar year reports to the Department.

ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS BY COUNTY

COUNTY	1995-96	1996-97	1997-98
Carson City	\$ -	\$ -	\$ -
Churchill	43,917,772	43,400,645	46,511,564
Clark	7,146,357	7,913,255	8,115,530
Douglas	48,689	50,337	38,857
Elko	9,132,318	21,501,161	144,562,766
Esmeralda	7,013,556	9,236,968	926,241
Eureka	474,563,434	357,833,953	263,248,542
Humboldt	40,071,034	14,171,786	23,396,041
Lander	92,741,822	37,698,138	19,613,701
Lincoln	87,926	71,553	112,469
Lyon	2,617,447	3,283,792	1,939,058
Mineral	22,728,585	20,466,698	17,360,325
Nye	55,705,167	67,706,345	61,004,913
Pershing	17,149,633	25,025,267	36,293,866
Storey	694,062	590,241	770,140
Washoe	1,703,879	1,386,921	870,920
White Pine	11,521,765	2,829,619	7,737,773
TOTAL	\$ 786,843,446	\$ 613,166,679	\$ 632,502,706

TAX REVENUE ON NET PROCEEDS OF MINERALS



FISCAL YEAR	TAX REVENUE*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TAX REVENUE*	% CHANGE FROM PRIOR YEAR
1992-93	\$ 37,048,529	14.19%	1995-96	\$ 37,781,028	-21.76%
1993-94	39,173,421	5.74%	1996-97	28,858,701	-23.62%
1994-95	48,289,216	23.27%	1997-98	31,164,103	7.99%

* Based on actual calendar year reports to the Department.

NET PROCEEDS OF MINERALS TAX DISTRIBUTION FISCAL YEAR 1997-98

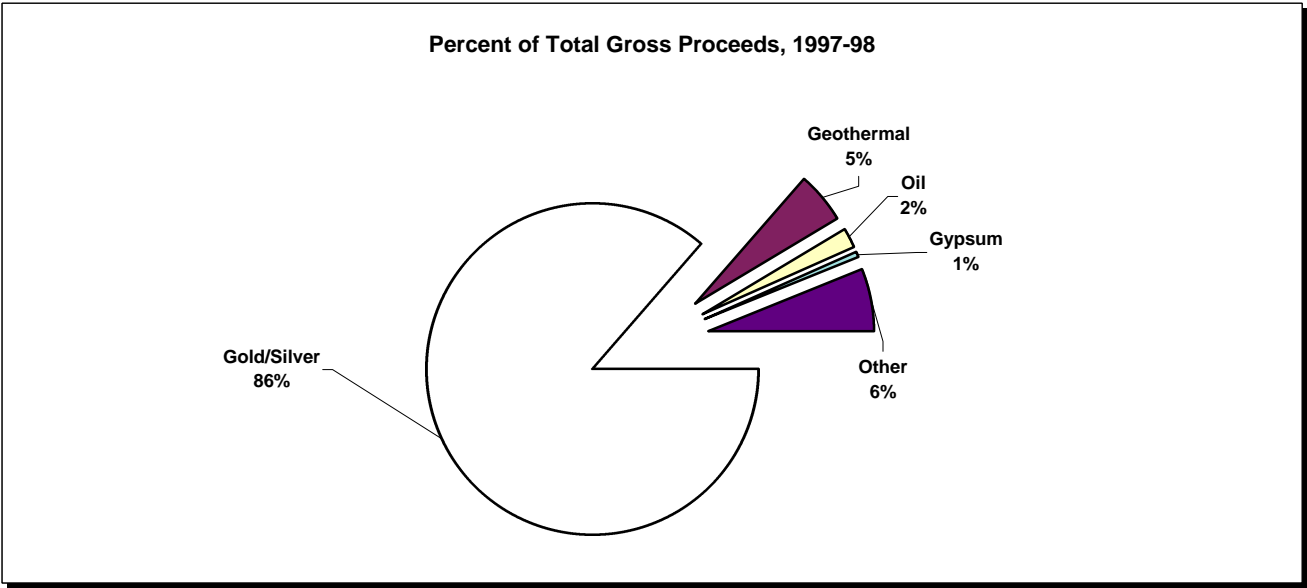
COUNTY	TOTAL TAX
CARSON CITY	\$ -
CHURCHILL	1,082,827
CLARK	181,361
DOUGLAS	786
ELKO	3,372,114
ESMERALDA	24,600
EUREKA	4,088,619
HUMBOLDT	454,119
LANDER	639,395
LINCOLN	1,985
LYON	1,175
MINERAL	721,267
NYE	2,517,623
PERSHING	1,037,638
STOREY	16,590
WASHOE	29,168
WHITE PINE	226,914
TOTAL COUNTY DISTRIBUTION	\$ 14,396,181
STATE DEBT SERVICE FUND	972,978
STATE GENERAL FUND	15,794,944
TOTAL	\$ 31,164,103

NET PROCEEDS OF MINERALS

The Nevada Department of Taxation determines the tax on the net proceeds of minerals pursuant to NRS Chapter 362. Producers annually report the gross yield of each separate extractive operation as well as expenses related to the extraction, processing, transportation, and marketing of the mineral. Royalty recipients report only the amount of royalties received. The Department calculates the net proceeds by deducting allowable expenses from the gross yield. The tax rate on the net proceeds of each operation depends on the ratio of the net proceeds to the gross proceeds as provided in NRS 362.140. The maximum tax rate is five percent, applied to net proceeds in excess of \$4,000,000 annually and to all royalties. The Department certifies and bills the net proceeds tax due each year on April 20th, with payment due by May 10th.

Percent of Total Gross Proceeds by Mineral Type

Mineral Type	Percent of Total Gross Proceeds 1995-1996	Percent of Total Gross Proceeds 1996-1997	Percent of Total Gross Proceeds 1997-98
Gold/Silver	91.62%	88.48%	86.46%
Geothermal	0.60%	3.58%	4.92%
Oil	3.76%	0.57%	1.91%
Gypsum	0.42%	0.47%	0.50%
Other (including Building Stone, Clay Dolomite, Florspar, Gemstones, Salt, and other miscellaneous minerals)	3.60%	6.90%	6.21%
	100.00%	100.00%	100.00%



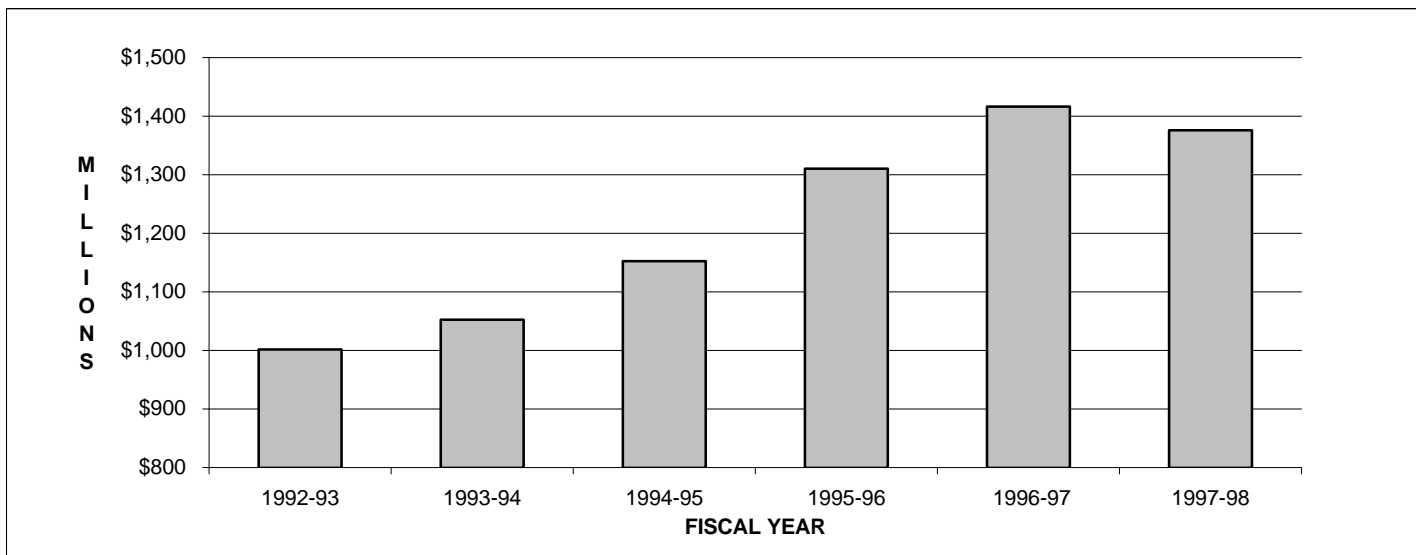
MINING PROPERTIES

In accordance with NRS 362.100(1b), the Department of Taxation is required to, "Appraise and assess all reduction, smelting and milling works, plants and facilities, whether or not associated with a mine, and all supplies, machinery, equipment, apparatus, facilities, buildings, structures and other improvements used in connection with any mining, reduction, smelting or milling operation . . ."

The following is a listing by county of the total assessed valuation of mining property assessed by the Department. No changes were made by the State Board of Equalization in 1997-98.

COUNTY	FISCAL YEAR 1996-97		FISCAL YEAR 1997-98	
	NUMBER OF APPRAISALS	ASSESSED VALUATION	NUMBER OF APPRAISALS	ASSESSED VALUATION
Carson City	1	\$ 9,480	1	\$ 9,480
Churchill	14	46,277,990	14	45,021,250
Clark	29	30,370,910	28	29,726,680
Douglas	1	1,133,030	1	706,290
Elko	18	101,466,740	19	89,074,520
Esmeralda	25	11,386,220	27	15,147,120
Eureka	28	567,030,840	30	534,616,590
Humboldt	22	245,513,950	23	259,504,310
Lander	32	105,406,130	31	130,869,470
Lincoln	24	5,674,540	23	750,130
Lyon	11	13,179,270	11	12,807,290
Mineral	22	30,170,600	21	22,624,650
Nye	40	96,040,730	41	86,895,360
Pershing	25	37,001,070	25	32,115,320
Storey	10	1,797,410	8	1,344,690
Washoe	9	18,943,630	9	13,267,140
White Pine	15	105,086,140	16	101,309,570
TOTAL	<u>326</u>	<u>\$ 1,416,488,680</u>	<u>328</u>	<u>\$ 1,375,789,860</u>

MINING PROPERTIES - ASSESSED VALUATIONS



FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR
1992-93	\$1,001,758,790	10.96%	1995-96	\$ 1,310,552,510	13.71%
1993-94	1,052,414,960	5.06%	1996-97	1,416,488,680	8.08%
1994-95	1,152,531,090	9.51%	1997-98	1,375,789,860	-2.87%

The secured and unsecured assessments form the values for the fiscal years above.

LOCAL GOVERNMENT FINANCE SECTION

The purpose of the Local Government Finance section is to oversee the financial administration of Nevada's counties, cities and districts. For the Fiscal Year ended June 30, 1998, this consisted of overseeing the financial activities of 17 counties, 18 incorporated cities, 49 unincorporated towns, 17 school districts, 157 special districts including 4 multi-county districts.

The major areas of responsibility of the section are contained within the provisions of the Local Government Budget Act (NRS 354.470 to 354.626, inclusive). The areas include overseeing the revenue limitations, indebtedness, budgets and audits of local governments. The section's functional responsibilities within each area include the following:

REVENUE LIMITATIONS

Taxes

Establish and monitor the maximum allowed revenue a local government may receive from ad valorem taxes.

Calculate and prepare ad valorem tax rates to be certified by the Nevada Tax Commission.

Prepare and publish the Ad Valorem Tax Rate Report for Nevada Local Governments.

Fees for Licenses and Permits

Prescribe guidelines for calculating fee increases for business licenses and building permits.

Monitor for compliance the adoption or increase of fees for business licenses and building permits.

INDEBTEDNESS

Medium Term Obligations

Review and approve or disapprove medium term financing requests including lease/purchase obligations. The

Annual Indebtedness Report

Analyze, for reasonableness, the annual indebtedness information submitted by the local governments.

Compile, prepare and publish the Annual Indebtedness Report for Nevada Local Governments.

BUDGETS

Examine and approve or disapprove local government budgets based on compliance or noncompliance with statutes and regulations. The examination procedures include but are not limited to the following:

1. Review in detail the form, classification and content of the local governments' estimated resources and expenditures/expenses;
2. Review and verify reported actual prior year resources and expenditures/expenses with the amounts contained in the local governments' audited financial statements.

The examination and approval process applies to tentative, final, amended and augmented budgets.

Prepare and provide local governments with a written certificate of compliance or a written notice of lack of compliance regarding their submitted budget documents.

Local Government Finance Section (continued)

AUDITS

Review annual independent audits of local governments to determine whether the audits comply with regulations adopted pursuant to NRS 354.594.

Refer to the State Board of Accountancy audits which do not adhere to regulations adopted pursuant to NRS 354.594.

Identify all statute and regulation violations reported within each audit.

Evaluate and monitor each local government's plan to correct the identified statute and regulation violations.

In addition, the Local Government Finance Division determines and advises local government officers of regulations, procedures and report forms for compliance with the Local Government Budget Act. The Division makes such determinations after hearing the advice and recommendations of the Committee on Local Government Finance.

BUDGETED (ESTIMATED) EXPENDITURES-EXPENSES*
FISCAL YEAR 1997-98

	COUNTY	SCHOOL	CITIES	TOWNS	DISTRICTS	TOTAL
Carson City	\$ 140,639,813	\$ 52,379,439	\$ -	\$ -	\$ 2,236,760	\$ 195,256,012
Churchill	31,614,191	30,568,524	13,486,870	-	823,103	76,492,688
Clark	2,243,268,587	1,431,412,548	813,288,222	94,112,099	629,991,133	5,212,072,589
Douglas	51,731,119	49,141,327	-	2,499,919	28,349,084	131,721,449
Elko	29,939,650	72,307,705	36,081,721	2,831,127	29,510,685	170,670,888
Esmeralda	3,593,620	1,396,535	-	292,189	16,000	5,298,344
Eureka	17,771,811	10,718,357	-	996,150	464,100	29,950,418
Humboldt	21,618,448	27,037,791	8,331,306	-	13,077,823	70,065,368
Lander	20,859,888	15,130,005	-	1,134,759	5,311,327	42,435,979
Lincoln	4,659,786	9,251,010	2,361,274	174,253	3,360,904	19,807,227
Lyon	20,532,968	48,120,340	1,984,485	2,062,989	7,774,011	80,474,793
Mineral	8,674,456	13,412,322	-	1,534,007	6,603,825	30,224,610
Nye	46,015,125	35,685,297	416,257	6,364,224	11,027,420	99,508,323
Pershing	9,606,477	9,092,013	1,403,792	38,748	5,253,072	25,394,102
Storey	6,552,147	4,827,655	-	16,800	619,603	12,016,205
Washoe	281,135,395	314,692,449	214,385,711	-	200,842,035	1,011,055,590
White Pine	10,735,229	15,346,360	5,299,489	97,676	8,131,414	39,610,168
Multicounty Districts					8,603,994	8,603,994
TOTALS	\$ 2,948,948,710	\$ 2,140,519,677	\$ 1,097,039,127	\$ 112,154,940	\$ 961,996,293	\$ 7,260,658,747

* Source: Final budgets filed June 1, 1997.

Amounts do not include transfers or ending fund balances.

SENIOR CITIZENS' PROPERTY TAX ASSISTANCE PROGRAM

Fiscal Year 1992-93: Refunds were paid at 79.55 percent of the full amount due each claimant, due to lack of program funds.

Fiscal Year 1993-94: Refunds were paid at 80 percent of the full amount due each claimant, due to lack of program funds.

Fiscal Year 1994-95: Refunds were paid at 98 percent of the full amount due each claimant, due to lack of program funds.

Fiscal Year 1995-96: Refunds were paid at 100 percent. Eligible applicants decreased 33% from FY 1994-95.

Fiscal Year 1996-97: Refunds were paid at 100 percent. Eligible applicants increased 8.32% from FY 1995-96.

Fiscal Year 1997-98: Refunds were paid at 100 percent. Eligible applicants decreased 9.3% from FY 1996-97.

SENIOR CITIZENS PROGRAM - FISCAL YEAR 1997-98 TOTAL ELIGIBLE BY INCOME LEVEL

	\$0- 8,000	\$8,001- 12,700	\$12,701 14,800	\$14,801 17,000	\$17,001 19,100	TOTAL
<u>INCOME</u>						
Home Owners	\$ 3,598,619	\$ 15,986,291	\$ 10,802,975	\$ 11,483,563	\$ 9,345,992	\$ 51,217,440
Mobile Home Owners	1,129,907	3,849,969	2,252,434	2,411,430	1,682,787	11,326,527
Mobile Home Renters	2,028,984	6,601,548	3,595,403	3,251,754	2,002,677	17,480,366
Renters	11,985,159	23,137,289	8,302,673	7,461,727	4,423,736	55,310,584
Total	\$ 18,742,669	\$ 49,575,097	\$ 24,953,485	\$ 24,608,474	\$ 17,455,192	\$ 135,334,917

<u>REFUNDS</u>						
Home Owners	\$ 204,812	\$ 581,429	\$ 243,553	\$ 123,100	\$ 39,606	\$ 1,192,500
Mobile Home Owners	39,594	87,123	27,154	14,171	3,867	171,909
Mobile Home Renters	69,749	159,980	44,917	18,970	4,143	297,759
Renters	291,336	565,641	121,190	53,130	11,249	1,042,546
Total	\$ 605,491	\$ 1,394,173	\$ 436,814	\$ 209,371	\$ 58,865	\$ 2,704,714

<u>NUMBER OF REFUNDS</u>						
Home Owners	537	1,536	787	723	521	4,104
Mobile Home Owners	170	370	165	152	94	951
Mobile Home Renters	302	646	261	206	112	1,527
Renters	1,794	2,316	606	472	247	5,435
Total	2,803	4,868	1,819	1,553	974	12,017

* Total and average taxes paid include those portions of rent paid attributable to property taxes.

SENIOR CITIZENS PROGRAM - FISCAL YEAR 1997-98
TOTAL REFUNDS

COUNTY	HOMEOWNERS		MOBILE HOME OWNERS		MOBILE HOME RENTERS	
	CLAIMANTS	AMOUNT	CLAIMANTS	AMOUNT	CLAIMANTS	AMOUNT
Carson City	145	\$ 44,526	63	\$ 13,885	127	\$ 23,527
Churchill	84	21,639	30	6,075	24	3,113
Clark	2,324	671,136	256	43,364	1,015	203,179
Douglas	107	35,119	57	9,782	15	3,303
Elko	53	11,759	30	4,130	11	1,648
Esmeralda	4	568	4	355	-	-
Eureka	-	-	-	-	-	-
Humboldt	20	5,226	9	1,062	3	716
Lander	3	519	8	1,019	4	654
Lincoln	24	4,322	12	1,830	-	-
Lyon	107	28,773	126	19,172	19	3,159
Mineral	68	9,876	18	2,459	1	86
Nye	67	18,369	153	28,310	21	2,426
Pershing	17	4,605	7	1,563	1	78
Storey	4	1,250	2	109	2	370
Washoe	989	319,180	172	38,327	284	55,500
White Pine	88	15,633	4	467	-	-
TOTALS	4,104	\$ 1,192,500	951	\$ 171,909	1,527	\$ 297,759

COUNTY	RENTERS		TOTAL REFUNDS		INELIGIBLE CLAIMANTS	TOTAL CLAIMANTS	PERCENT OF TOTAL REFUNDS
	CLAIMANTS	AMOUNT	CLAIMANTS	AMOUNT			
Carson City	138	\$ 23,852	473	\$ 105,790	17	490	3.91%
Churchill	51	5,979	189	36,806	3	192	1.36%
Clark	3,653	750,439	7,248	1,668,118	426	7,674	61.67%
Douglas	25	5,285	204	53,489	7	211	1.98%
Elko	22	2,923	116	20,460	12	128	0.76%
Esmeralda	-	-	8	923	-	8	0.03%
Eureka	-	-	-	-	-	-	0.00%
Humboldt	25	2,923	57	9,927	-	57	0.37%
Lander	-	-	15	2,192	1	16	0.08%
Lincoln	18	1,887	54	8,039	2	56	0.30%
Lyon	73	9,799	325	60,903	29	354	2.25%
Mineral	13	1,720	100	14,141	1	101	0.52%
Nye	47	4,837	288	53,942	7	295	1.99%
Pershing	2	144	27	6,390	1	28	0.24%
Storey	2	600	10	2,329	1	11	0.09%
Washoe	1,359	231,514	2,804	644,521	147	2,951	23.83%
White Pine	7	644	99	16,744	2	101	0.62%
TOTALS	5,435	\$ 1,042,546	12,017	\$ 2,704,714	656	12,673	100.00%

COMBINED STATEWIDE

Total number of refunds	12,017
Total number of ineligible	656
Total applications processed	12,673
Average income	\$ 11,262
Average refund	\$ 225

SENIOR CITIZENS PROGRAM - FISCAL YEAR 1997-98
AVERAGE REFUND PER COUNTY, PER CATEGORY

COUNTY	HOME OWNERS AND MOBILE HOME OWNERS		RENTERS AND MOBILE HOME RENTERS		REFUNDS ALL CATEGORIES	
	NUMBER	AVERAGE REFUND	NUMBER	AVERAGE REFUND	NUMBER	AVERAGE REFUND
Carson City	208	\$ 281	265	\$ 179	473	\$ 224
Churchill	114	243	75	121	189	195
Clark	2,580	277	4,668	204	7,248	230
Douglas	164	274	40	215	204	262
Elko	83	191	33	139	116	176
Esmeralda	8	115	-	-	8	115
Eureka	-	-	-	-	-	-
Humboldt	29	217	28	130	57	174
Lander	11	140	4	164	15	146
Lincoln	36	171	18	105	54	149
Lyon	233	206	92	141	325	187
Mineral	86	143	14	129	100	141
Nye	220	212	68	107	288	187
Pershing	24	257	3	74	27	237
Storey	6	227	4	243	10	233
Washoe	1,161	308	1,643	175	2,804	230
White Pine	92	175	7	92	99	169
TOTAL REFUNDS	5,055	\$ 270	6,962	\$ 193	12,017	\$ 225